

U.S. Department of Energy

DOE

**Human Capital
Management Strategic
Plan**



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TABLE OF CONTENTS

EXECUTIVE SUMMARY	1
THE DOE MISSION	3
ORGANIZATION AND ROLES	4
DOE STRATEGIC PLAN	5
DOE WORKFORCE PROFILE	6
DOE HUMAN CAPITAL ENVIRONMENT	14
EXTERNAL ENVIRONMENT	14
Government Performance Results Act (GPRA) and PMA	14
Office of Management and Budget (OMB)/Office of Personnel Management (OPM)	14
PROGRAMMATIC ENVIRONMENT	14
Funding	14
Restructuring	15
Safety at Defense Nuclear Facilities	15
PRESIDENT'S MANAGEMENT AGENDA (PMA) ENVIRONMENT	16
Competitive Sourcing	18
E-Government	19
Improved Financial Performance	21
Budget and Performance Integration	21
HUMAN CAPITAL MANAGEMENT STRATEGIC PLAN	22
Strategy 1, Strategic Alignment	23
On-going Initiatives	24
Human Capital Coalition (HCC)	24
Restructuring	25
Continual Assessment	26
Performance Management	27
Continuing Improvements	27
Human Capital Coalition (HCC)	27
Restructuring	28
Continual Assessment	28
Performance Management	28
Strategy 2, Workforce Planning and Deployment	28
Ongoing Initiatives	28
Workforce Plans	28
Technical Qualification Program (TQP)	29
Employee Self Service (ESS) Skills Assessment Tool	30
Continuing Improvements	31
Workforce Plans	31
Technical Qualification Program	31
Employee Self Service (ESS) Skills Assessment Tool	32
Strategy 3, Leadership and Diversity	32
Ongoing Initiatives	33
Succession Planning	33

Professional/Career Development 35

Diversity..... 39

Employee Work/Life Center..... 40

Continuing Improvements 40

Succession Planning..... 40

Career Development and Training..... 41

Diversity..... 41

Strategy 4, Knowledge Management..... 42

Ongoing Initiatives..... 42

Knowledge Management Working Group..... 42

Human Capital Management Improvement Program (HCMIP)..... 43

Enterprise-wide DOE Human Capital Management E-Gov Support Initiatives .. 44

Continuing Improvements 46

Knowledge Management Working Group..... 46

Human Capital Management Improvement Program (HCMIP)..... 47

Enterprise-wide DOE Human Capital Management E-Gov Support Initiatives .. 47

Strategy 5, Performance Culture..... 47

Ongoing Initiatives..... 47

Continuing Improvements 48

Strategy 6, Talent..... 49

Ongoing Initiatives..... 49

Corporate Recruitment Strategy 49

Recruiting, Hiring, and Retaining High-quality Technical Staff..... 52

Continuing Improvements 54

Corporate Recruitment Strategy 54

Recruiting, Hiring, and Retaining High-quality Technical Staff..... 55

COMMUNICATING THE PLAN 56

SUMMARY 57

REFERENCES 58

DEFINITIONS..... 62

ACRONYMS..... 65

ACTION PLAN 67

LIST OF TABLES AND FIGURES

Tables

Table 1: Retirement Eligibility by Occupational Group	7
Table 2: Educational Levels	11
Table 3: Gender Grade Distribution by Occupational Group	12
Table 4: Ethnic Representation by Occupational Group	13
Table 5: Technical Qualification Trend	31
Table 6: Trend on Overdue Qualifications	32

Figures

Figure 1: Major DOE Laboratories and Field Facilities	5
Figure 2: Projected Annual Attrition from Retirements	7
Figure 3: Average Age of DOE Employees	8
Figure 4: Employment History	8
Figure 5: Occupational Groups	9
Figure 6: DOE Grade Distribution	10
Figure 7: Gender Grade Distribution	12
Figure 8: Percent Change in Ethnic Groups, 1998 to Present	13
Figure 9: DOE President's Management Agenda Structure	17
Figure 10: One HR Concept of Operations	25
Figure 11: Succession Planning Model	33
Figure 12: Competency-Based Development Model	35
Figure 13: Strategic Management Cascade	49

EXECUTIVE SUMMARY

The Government Performance Results Act (GPRA) of 1993 was implemented to instill a culture of performance accountability in Federal agencies. Then, in 2002, President Bush issued the President's Management Agenda (PMA), a bold strategy for further improving the management and performance of the Federal Government. The President's vision for Government reform is guided by three principles. Government should be: citizen-centered; results-oriented; and market-based, actively promoting rather than stifling innovation through competition. The President states in Strategic Goal 1 of the PMA, "Strategic Management of Human Capital":

*"We must have a Government that thinks differently, so we need to recruit talented and imaginative people to public service. We can do this by reforming the civil service with a few simple measures. We'll establish a meaningful system to measure performance. Create awards for employees who surpass expectations. Tie pay increases to results. With a system of rewards and accountability, we can promote a culture of achievement throughout the Federal Government."*¹

Human Capital, identified by the GAO as a "high risk" area for all of the Federal Government, is the one asset that agencies must plan for now. The Department, like many other Federal agencies, is faced with a rapidly aging workforce and skill imbalances in several critical program areas. Left unaddressed, these problems will grow and adversely impact our mission delivery capability.

Nearly 60% of the DOE workforce will become eligible to retire over the next five years. The average age of DOE's employees is 48.8. In addition, DOE has undergone several restructuring initiatives for improving efficiency and effectiveness of its organizations, reducing management layers, improving manager to employee ratios, and eliminating redundancies. These efficiency improvements have resulted in a reduction in the Department's Federal workforce of 1,074² Federal employees since December 2001. Minorities have reduced proportionately, but due to the efforts of the Department's Hispanic employment initiative, the Hispanic population has increased. Since 2001, the Department has hired 82 employees with disabilities. Between 2002 and 2004, for every person with disabilities hired, slightly over 18 with disabilities have left. While realizing staffing reductions through reorganizations, buy-outs, and normal attrition, DOE has lost highly specialized skills that it must replenish now and plan for in the future as a large portion of the workforce retires. In a results-oriented culture, everyone is accountable, including human capital managers, for ensuring that a competent, results-oriented workforce exists both currently and in the future.

¹ *The President's Management Agenda*, Fiscal Year 2002

² 2001 data as of September 2001 equals 10,333 FTEs and current data as of February 21, 2004 equals 9,259 FTEs. Both data sets exclude FERC.

The Department has made significant progress in human capital management improvement. The Department has aligned human capital management to the missions of the organizations, a strategy that has propelled the Agency to identify at-risk occupational series' now and in the future and targeting recruitment and retention efforts to replace the aging workforce. The institutionalization of a performance culture is in place to ensure the Department's strategies and missions are accomplished efficiently and effectively. There is still work to be done as the Department continues to improve in these critical areas. These continuing efforts will guarantee that the Department has the right people in the right place at the right time, now and in the future.

This Human Capital Management Strategic Plan lays out the overarching business vision and strategies either currently employed or planned for replenishing the scientific, technical, professional, and administrative workforce of today and tomorrow. The companion Action Plan establishes the timeline for improvement initiatives and performance and accountability measures that identify what the end results should be. The current Action Plan consists of the human capital management commitments contained in the "Proud To Be" document. Overall, the Department has several ongoing initiatives for effectively managing human capital. This Human Capital Management Strategic Plan synthesizes these initiatives into a corporate approach for continuous improvement and effective human capital management.

THE DOE MISSION

The Department of Energy's overarching mission is to advance the national, economic and energy security of the United States; to promote scientific and technological innovation in support of that mission; and to ensure the environmental cleanup of the national nuclear weapons complex.

The Department of Energy (DOE) contributes to the future of the Nation by ensuring energy security, maintaining the safety, security and reliability of the nuclear weapons stockpile, cleaning up the environment from the legacy of the Cold War, and developing innovations in science and technology. After 25 years in existence, the Department now operates 24 preeminent research laboratories and facilities and four power marketing administrations, and manages the environmental cleanup from 50 years of nuclear defense activities that impacted two million acres in communities across the country. The DOE is an organization of over 14,000 Federal employees and over 100,000 contractor personnel who manage approximately 50 major installations across the country including world-renowned national laboratories that have a capital value of over \$45 billion. The Department operates on a budget of approximately \$23 billion annually.

Over its 25-year history, the Department has shifted its emphasis and focus as the needs of the Nation have changed. During the late 1970s, the Department emphasized energy development and regulation. In the 1980s, nuclear weapons research, development, and production took a priority. Since the end of the Cold War, the Department has focused on environmental cleanup of the nuclear weapons complex, nuclear nonproliferation and nuclear weapons stewardship, reliable energy supplies and delivery, energy efficiency and conservation, and technology transfer.

Science and technology are the Department's principal tools in the pursuit of its national security mission. In serving America, the Department has amassed tremendous scientific and technical capabilities never anticipated 25 years ago. Those capabilities will be applied to the overarching mission of ensuring the national security.

ORGANIZATION AND ROLES

The U.S. Department of Energy is the Nation's science and technology organization – responsible for enhancing national security. Responsibility for accomplishing this mission is shared among four principal program lines – National Defense; Energy; Science; and Environment. Operating nuclear production facilities, science laboratories, power marketing administrations, and environmental clean-up sites in 35 states, the Department is responsible for many key accomplishments in fields that include alternate fuel vehicles, biological and environmental research, energy efficiency, clean power and industrial technologies, medical technologies, gene research, and computers and microelectronics. DOE is the Nation's top sponsor of research and development and has won more research and development awards than any private sector organization and twice as many as all other Federal agencies combined. The Department's national defense programs are responsible for insuring the integrity and safety of the country's nuclear weapons; promotion of international nuclear safety and non-proliferation; and administering the Naval Nuclear Propulsion Program for the U.S. Navy.

The Department is programmatically aligning DOE's major elements through several restructuring initiatives that are designed to improve spans of control, reduce layers of management, and improve the supervisor to employee ratio, aided by changes in lines of authority. For example, a centralized approach to management improvement is underway in the National Nuclear Security Administration (NNSA). The NNSA identified three key restructuring objectives: (1) to increase organizational discipline and accountability by defining authorities and responsibilities; (2) to achieve enterprise-wide integration; and, (3) to lift administrative burdens through streamlining policies, procedures, and staffing. The benefits to the Department will be realized. These and other improvement initiatives across the Department will fulfill the President's vision to ensure that the Agency runs efficiently and effectively and is results-oriented, citizen-centered, and market-based.

Performance of mission objectives has become the bedrock of the Agency. Stovepipe organizations are being eliminated as managers and employees are required to focus on performance integration across business lines and PMA initiatives. Direction for integrating human capital management, competitive sourcing, financial performance, E-Government, and budget and performance integration cascades from the Secretarial-level DOE Management Council, to the five PMA senior executives, to the PMA task forces, and then to DOE employees. In addition, because so much of the Department's mission is accomplished through its contractors, laboratory coordinators have been assigned to help implement PMA principles. While these teams of subject matter experts work up and down the management chain on each initiative, there are teams made up of senior career and political senior executives working horizontally across the Department to oversee implementation of the initiatives as an integrated whole.

DOE STRATEGIC PLAN

The Department’s Strategic Plan outlines four **strategic goals** toward achieving the mission:

- **Defense Strategic Goal:** To protect our national security by applying advanced science and nuclear technology to the Nation’s defense.
- **Energy Strategic Goal:** To protect our national and economic security by promoting a diverse supply and delivery of reliable, affordable, and environmentally sound energy.
- **Science Strategic Goal:** To protect our national and economic security by providing world-class scientific research capacity and advancing scientific knowledge.
- **Environment Strategic Goal:** To protect the environment by providing a responsible resolution to the environmental legacy of the Cold War and by providing for the permanent disposal of the Nation’s high-level radioactive waste.

Major DOE Laboratories and Field Facilities



Figure 1: Major DOE Laboratories and Field Facilities

DOE WORKFORCE PROFILE

The following DOE workforce profile provides demographic analyses covering retirement eligibility, minority and gender, occupational groups and grade level distribution, age, and education level. Paramount in the analyses is the need to replace an aging workforce over the next ten years in a manner that represents the face of America and has the right skills to meet continuing and emerging mission requirements, of which the Department is continuing to address.

Overall Workforce	Scientific and Technical Workforce
32% of SES were eligible for optional retirement on or before December 2003	77% of DOE's workforce is scientific or technical, with only 15% under the age of 35
56% of SES are eligible for optional retirement by December 2007	The average age of DOE's scientific and technical workforce is 49 compared to 48 for all DOE
21% of GS-14 and 15 staff were eligible for optional retirement on or before December 2003	20% of DOE's scientific and technical workforce were eligible for optional retirement on or before December 2003
42% of GS-14 and 15 staff are eligible for optional retirement by December 2007	41% of DOE's scientific and technical workforce is eligible for optional retirement by December 2007

Retirement Eligibility: The above information describes a workforce that has one-third of SES, and one-fifth of GS-14/15 level scientific and technical workforces that became eligible to retire on or before December of 2003.³ By December 2007, only four years away, between 40-56% of the individuals in these categories will have become eligible to retire. Early retirement eligibilities are even more staggering. At the same time, the Federal Government as a whole is facing a similar situation.

The statistics from DOEInfo are as of February 27, 2004 for the remainder of this section on the DOE Workforce Profile.

There are currently 2,271 employees eligible for retirement. The Department predicts that anywhere from 15% to 25% of those eligible to retire will actually do so in any given year. Figure 2, *Projected Annual Attrition from Retirements*, illustrates the projected annual retirement trend over the next ten years at these possible 15% and 25% rates of retirement.

³ This statistic does not include the occupational series 00301, Miscellaneous Administration, of which several scientific and technical supervisors are coded.

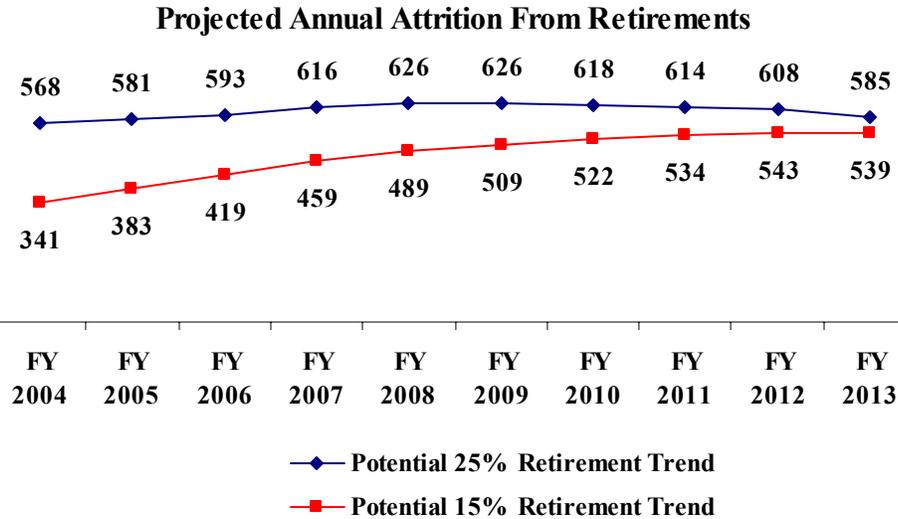


Figure 2: Projected Annual Attrition from Retirements

Table 1: *Retirement Eligibility by Occupational Group* shows that nearly a fourth of the Program Managers and Supervisors are currently eligible to retire, and almost half will become eligible by the end of FY 2008.

Occupational Group	Percentage of Occupational Group Eligible to Retire as of February 27, 2004	Percentage of Occupational Group That will Reach Retirement Eligibility by End of FY 08
Directors, Director Support, & Program Management	22.2%	45.9%
Science and Engineering	15.4%	34.0%
Administration, Administration Support, and Public Affairs	11.8%	31.2%
Program and Budget Analysis, Financial and Accounting	12.2%	33.7%
Safety & Health, Security, and Foreign Affairs	12.0%	22.4%
Procurement	14.8%	39.0%
Logistics and Quality Assurance	10.6%	35.8%
Information Technology	10.0%	31.3%
Human Resources	13.7%	38.4%
Legal and Legal Assistance	18.8%	37.6%
Total Population	14.0%	33.8%

Table 1: Retirement Eligibility by Occupational Group

Age: The average age of DOE employees is currently 48.3 years, as shown in Figure 3, *Average Age of DOE Employees*. Women average 47.1 years and men 49.7 years old. The average age of new hires is 39.9 years. Figure 3 also illustrates the average age of DOE employees since 1998.

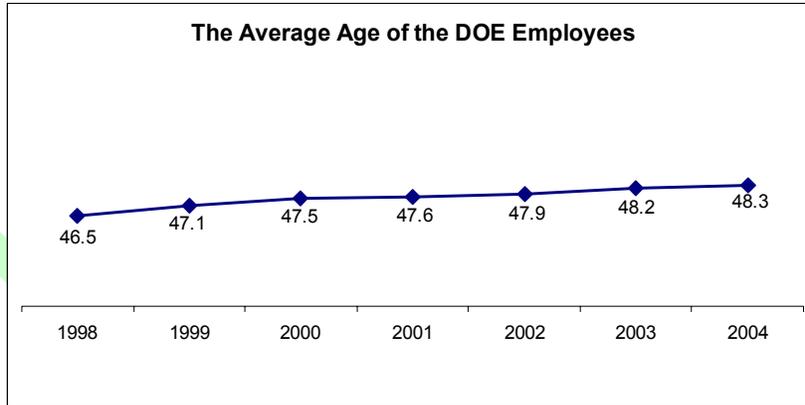


Figure 3: Average Age of DOE Employees

Employment History

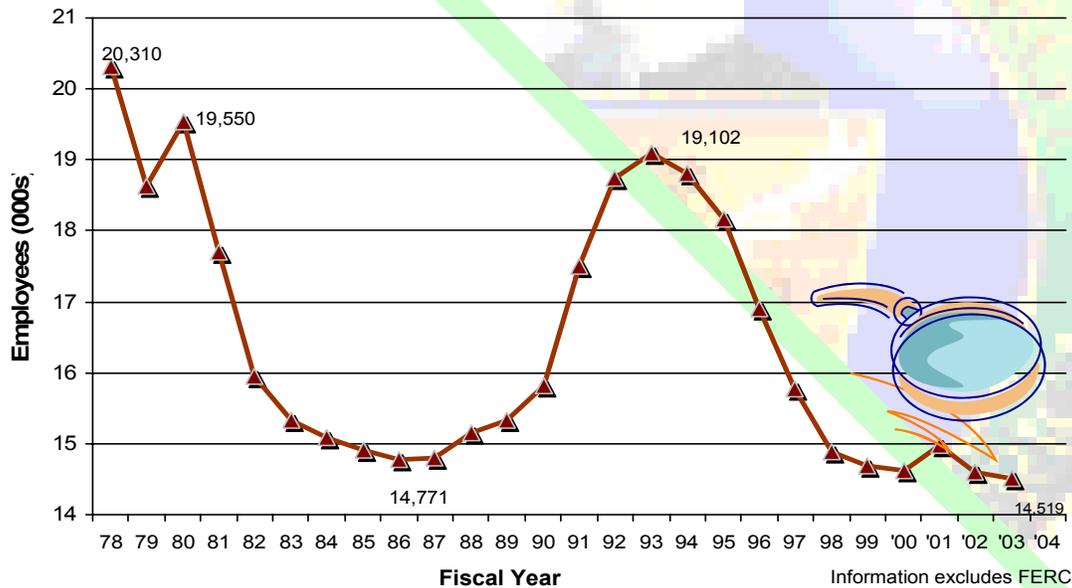


Figure 4: Employment History

Employment History: Figure 4, *Employment History* clearly illustrates that by the end of FY 2003 the Department had made significant progress in restructuring, right-sizing, and streamlining the workforce. In FY 2004 we are continuing to carry out the Department’s commitment to restructure as appropriate to provide optimal service at lowest cost and respond to changing business needs through redeployment, delayering, competitive sourcing, and E-Gov initiatives.

The analysis shows that the Department increased from 14,879 Federal employees in 1998 to an onboard strength of 14,983 in 2002. Realignment, consolidations and workforce planning resulted in steadily decreasing employment levels to 14,012 in February 2004. Looking ahead, the projected FY 2005 budget calls for stable levels of Federal employment, subject to decisions made in response to competitive sourcing studies.

Occupational Groups: DOE Employees represent a large range of occupations. These include:

- Directors, Director Support, and Program Management
- Science and Engineering
- Administration, Administration Support, and Public Affairs
- Program and Budget Analysis, Financial and Accounting
- Safety & Health, Security, and Foreign Affairs
- Procurement
- Logistics and Quality Assurance
- Information Technology
- Human Resources
- Legal and Legal Assistance

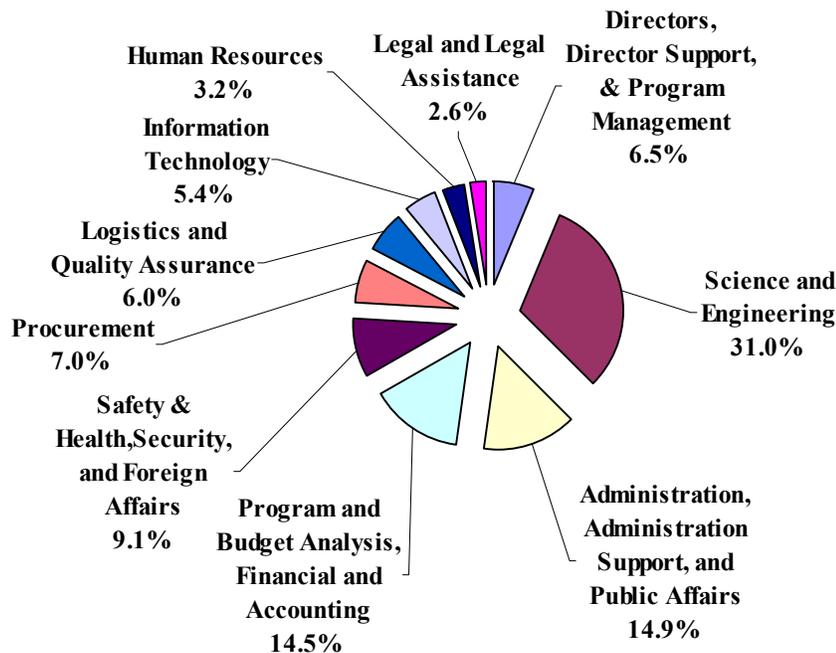


Figure 5: Occupational Groups

Figure 5, *Occupational Groups*, demonstrates that the largest portion of DOE employees are in the science and engineering occupational groups. The majority of DOE

personnel (12,672) are in the General Schedule Occupational Groups. There are 1,349 employees in Federal Wage System.

Grade level: The median grade level is at the GS-13 level for DOE employees. The average employee has 19.1 years of Federal service and the average promotion was 6.4 years ago. Figure 6, *DOE Grade Distribution*, shows the distribution of personnel over grade levels.

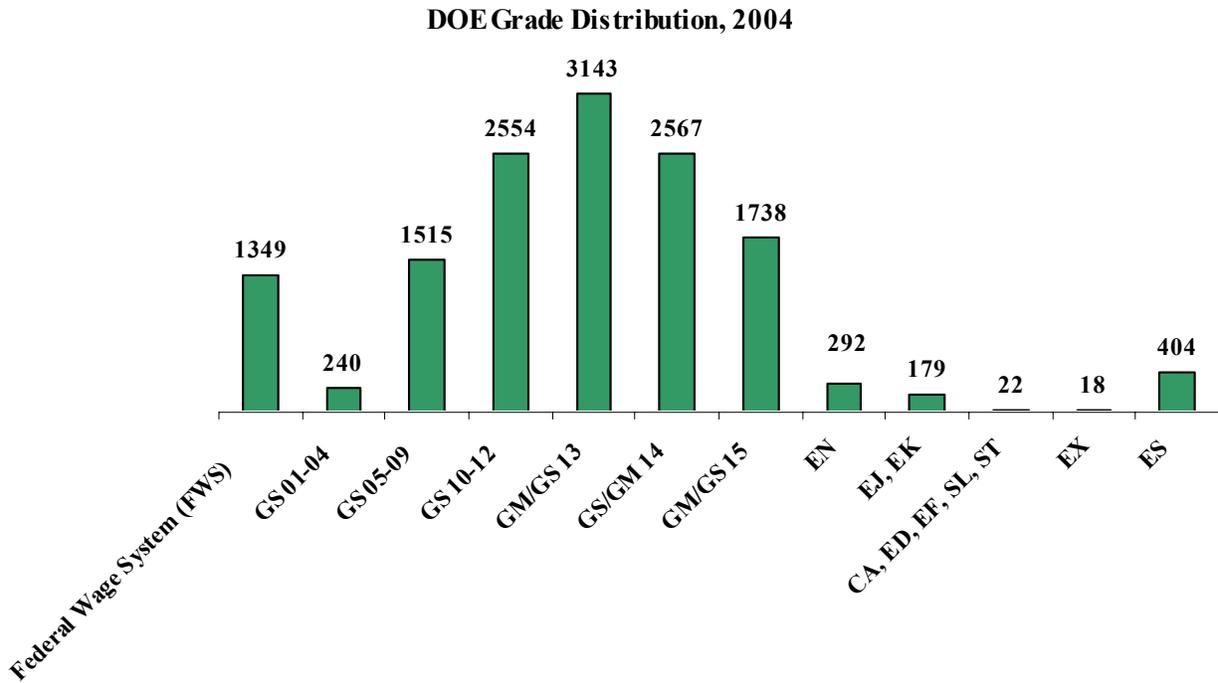


Figure 6: DOE Grade Distribution

Educational Level: Sixty-eight percent of DOE's non-wage grade employees have undergraduate or higher degrees, as shown in Table 2, *Education Levels*.

Occupational Group	Percentage of Occupational Group That Are Shown to Have a Doctorate	Percentage of Occupational Group That Are Shown to Have a Masters Degree	Percentage of Occupational Group That Are Shown to Have a Bachelors Degree	Percentage of Occupational Group That Are Shown to Have a Degree
Directors	10.4%	33.5%	36.5%	80.4%
Director Support	18.2%	32.7%	30.0%	80.9%
Program Management	5.9%	41.1%	44.4%	91.4%
Science and Engineering	10.1%	32.9%	49.2%	92.2%
Administration	1.7%	17.0%	29.5%	48.3%
Administration Support	0.0%	1.5%	8.5%	10.1%
Public Affairs	0.0%	31.5%	43.5%	75.0%
Program and Budget Analysis	3.2%	24.1%	36.1%	63.5%
Financial and Accounting	0.3%	17.4%	56.3%	74.0%
Safety and Health	10.5%	42.1%	28.2%	80.8%
Security	0.5%	8.3%	23.7%	32.6%
Foreign Affairs and Intelligence	6.1%	58.8%	23.0%	87.9%
Procurement	0.7%	21.9%	43.3%	65.9%
Logistics	0.7%	11.8%	33.8%	46.4%
Quality Assurance	0.0%	26.6%	40.5%	67.1%
Information Technology	1.3%	15.9%	37.9%	55.2%
Human Resources	0.5%	14.4%	31.8%	46.7%
Legal	14.9%	12.1%	70.8%	97.9%
Legal Assistance	0.0%	2.0%	10.2%	12.2%
Total Population	5.1%	23.7%	39.1%	68.0%

Table 2: Educational Levels

Gender: Figure 7, *Gender Grade Distribution*, and Table 3: *Gender Grade Distribution by Occupational Group*, illustrate the disparity of women in higher grades and scientific and technical occupations. DOE has a workforce that is 37.2% female (40.7% in the General Schedule employees and 4.5% in the Federal Wage System), less than the Government-wide average of 44.6%. Women are represented less than 30% in the grade levels above GS -12. Females make up large percentages of personnel in Human Resources, Administration and Program and Budget Analysis. They represent a smaller portion of employees in Science and Engineering, Security, and Quality Assurance.

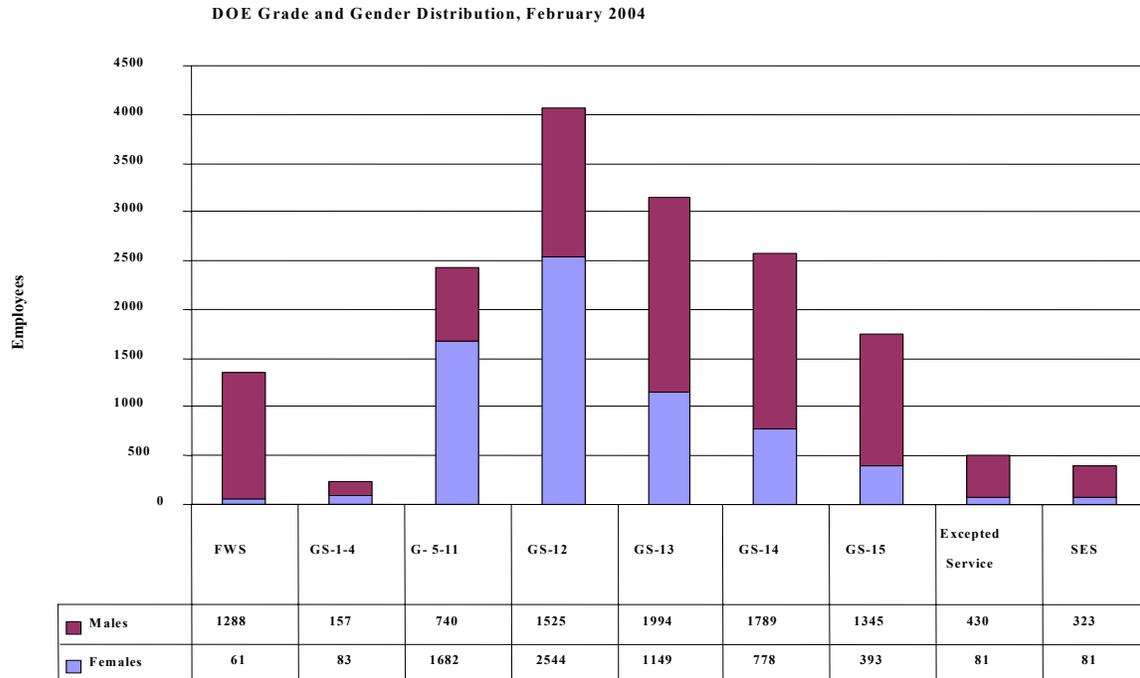
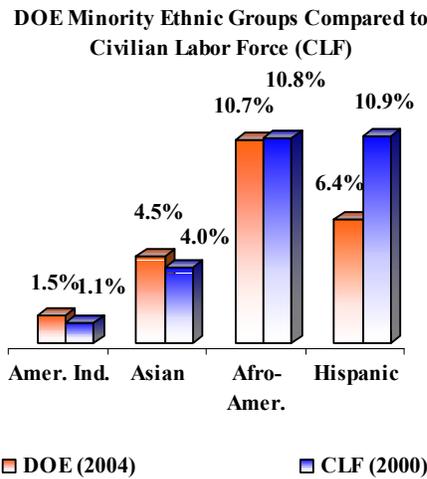


Figure 7: Gender Grade Distribution

Occupational Group	Percentage of the Total Population	Percentage of Occupational Group Represented by Females	Percentage of Occupational Group Represented by Males
Directors, Director Support, & Program Management	6.5%	28.2%	71.8%
Science and Engineering	31.0%	14.8%	85.2%
Administration, Administration Support, and Public Affairs	14.9%	69.9%	30.1%
Program and Budget Analysis, Financial and Accounting	14.5%	59.8%	40.2%
Safety & Health, Security, and Foreign Affairs	9.1%	30.1%	69.9%
Procurement	7.0%	54.7%	45.3%
Logistics and Quality Assurance	6.0%	46.3%	53.7%
Information Technology	5.4%	38.1%	61.9%
Human Resources	3.2%	67.0%	33.0%
Legal and Legal Assistance	2.6%	48.2%	51.8%
Total Population		40.2%	59.8%

Table 3: Gender Grade Distribution by Occupational Group

Race and Ethnicity: Table 4, *Ethnic Representation by Occupational Group* shows that almost 22% of the employees categorize themselves as other than “White, Not of Hispanic Origin.” The proportional representation of minorities ranges from 37.9% in Human Resources and 30.6% in Administration; to 13.7% in Safety and Health, 12.9% in Foreign Affairs and Intelligence, and 16.3 % in Program Management.



Occupational Group	Percentage of Occupational Group Represented by Minorities	Percentage of Occupational Group Represented by Non-Minorities	Occupational Group	Percentage of Occupational Group Represented by Minorities	Percentage of Occupational Group Represented by Non-Minorities
Directors	18.40%	81.00%	Safety and Health	13.80%	86.20%
Director Support	15.50%	84.50%	Security	24.90%	75.50%
Program Management	13.80%	86.20%	Foreign Affairs and Intelligence	12.70%	87.30%
Science and Engineering	19.40%	80.30%	Procurement	25.80%	74.20%
Administration	32.70%	67.30%	Logistics	20.80%	79.20%
Administration Support	30.60%	69.40%	Quality Assurance	12.70%	87.30%
Public Affairs	12.00%	88.00%	Information Technology	22.40%	77.60%
Program and Budget Analysis	25.50%	74.50%	Legal	16.00%	84.00%
Financial and Accounting	26.30%	73.70%	Legal Assistance	44.90%	55.10%
Human Resources	37.20%	62.80%	Total	23.10%	76.80%

Table 4: Ethnic Representation by Occupational Group

DOE ethnic groups exceed the Civilian Labor Force (CLF) figures released by the Department of Labor for 2004 in the American Indian and Asian groups. The Afro-American group is only slightly below the CLF standards. Figure 8, *Percent Change in Ethnic Groups, 1998 to Present*, illustrates that although the Hispanic group is well below the CLF, there has been significant growth in that group since 1998 as a result of the Department's Hispanic employment initiative.

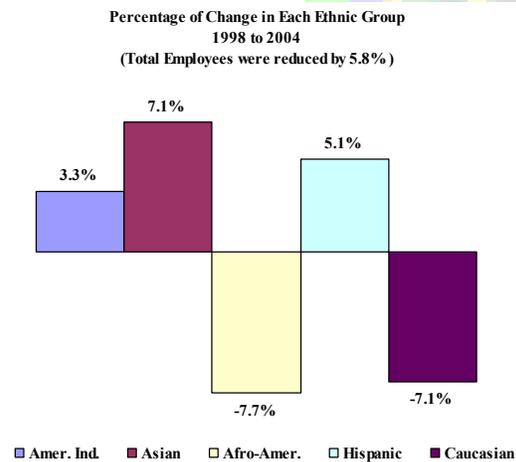


Figure 8: Percent Change in Ethnic Groups, 1998 to Present

DOE HUMAN CAPITAL ENVIRONMENT

EXTERNAL ENVIRONMENT

Government Performance Results Act (GPRA) and PMA

The Government Performance Results Act (GPRA) of 1993 was the Federal Government's first modern attempt to hold Federal agencies accountable for achieving program results. The GPRA found waste and inefficiency in Federal programs and a reduced ability to adequately address vital public needs. The GPRA also found that Federal managers were seriously disadvantaged in their efforts to improve program efficiency and effectiveness because of insufficient articulation of program goals and inadequate information on program performance. Through its requirement for strategic planning, (with Annual Performance Plans consistent with the Agency's strategic plan) and performance reports, agencies, including DOE, began the climb to improved performance.

The President's Management Agenda (PMA) has been the impetus to implementing the GPRA, with bold direction for building organizational cultures that support a focus on results. The Department has embraced the PMA, and continues to meet statutory requirements of GPRA. Additionally, the Department has learned that it must not ignore performance information and mission accomplishment when allocating resources. The PMA has become an integrated part of the DOE culture.

Office of Management and Budget (OMB)/Office of Personnel Management (OPM)

The Department has been proactive in partnering with both OMB and OPM for guidance in accountability and results. The Department's Chief Human Capital Officer (CHCO) works closely with OMB and OPM on human capital management issues, solutions, and results.

PROGRAMMATIC ENVIRONMENT

Funding

The program direction funds at DOE provide for administrative costs, such as salaries and benefits, training, travel, and support services. These funds are sometimes diverted from human resources management and professional development to other program direction needs. In today's budgetary environment, providing adequate funding for continuing professional development of DOE personnel so they can, in turn, continue to provide results is a challenge. With this in mind, establishing and institutionalizing professional development programs for filling the pipeline to replace an aging workforce remains a priority. Institutionalization and utilization of career development programs will not occur if a) funding is not a priority and b) DOE Elements do not have the resources to enroll potential future leaders.

Restructuring

The National Nuclear Security Administration (NNSA) and the Offices of Environmental Management (EM) and Science (SC) are currently undergoing significant restructuring initiatives to a) reduce management layers, b) improve spans of control, and c) improve the supervisor to employee ratio. While ultimate goals are not yet achieved, the Department has made great strides toward restructuring to provide optimal service at lowest cost while responding to changing business needs. These organizations have undergone changes in Headquarters and field relationships, consolidated business services to a single service center concept, changed lines of authority, reduced the numbers of employees through buyouts, directed reassignments and normal attrition, and reduced the number of senior level positions. The restructuring activities in the Department are on track to achieving greater efficiencies and effectiveness and to contribute to a more streamlined operating environment for the Department.

Safety at Defense Nuclear Facilities

Integrated safety is a paramount concern for the DOE as its complex missions place employees in what could potentially be unsafe environments, were employees not educated in safety matters. The DOE is committed to developing and maintaining a technically competent workforce to accomplish its missions in a safe and efficient manner. The Federal Technical Capability Program (FTCP), which was established on May 5, 1998, provides for the recruitment, deployment, development, and retention of Federal personnel with the demonstrated technical capability to safely accomplish the Department's mission and responsibilities.

The Federal Employee Occupational Safety and Health (FEOSH) and Whistleblower protection programs are in place at the Department to ensure that employee concerns regarding safety are heard and that safety is not breached at the expense of the American people, the environment, or DOE Federal and contractor personnel. These programs protect the rights of DOE employees and their families while ensuring safe conditions exist at the Department's laboratories and facilities.

PRESIDENT'S MANAGEMENT AGENDA (PMA) ENVIRONMENT

DOE measures progress in meeting the President's Management Agenda with an Internal Scorecard method, a bold strategy for management improvement, imposed by the DOE Management Council. Each of the elements on the Internal Scorecard is directly linked to the five PMA initiatives and the Department's Annual Performance Plans (APPs), and includes cascading sub-elements that directly relate to unique DOE mission accomplishment. The Internal Scorecard elements are integrated and crosscutting to ensure communication and consistency across business lines and support needs for the business lines. Progress toward meeting the PMA objectives is the responsibility of each of the DOE Elements. The PMA initiative owners provide guidance and assist Departmental Elements in achieving these goals.

A memo from the President through the Office of Management and Budget (OMB), dated January 29, 2004 on DOE's progress, praises the Agency for improved performance in all areas that are the focus of the PMA. For instance, the President states:

- The Department knows what skills it needs to accomplish its mission and is working to reduce gaps in those skills.
- DOE is training employees in needed project management skills and rewarding individuals who achieve certification in the area and then prove they can manage projects successfully.
- DOE is establishing competitive sourcing as a sound management practice. For example, DOE competed the work done by its financial services workers with the private sector. DOE determined that it was more cost-effective to consolidate and restructure the organization and keep its financial services in-house. As a result of this process, the Department will eliminate 63 financial services positions and restructure its operations at projected savings of \$31 million over five years.
- The Department is more responsibly accounting for the people's money by, for instance, issuing audited financial statements in an accelerated timeframe and providing assurance that the Department's financial management meets high standards of integrity. To sustain its progress, DOE will have to demonstrate how it uses financial and performance information to make day-to-day decisions about program management.
- DOE is integrating its multiple management systems into one, called I-MANAGE that promises to provide managers with accurate and timely information they can use to manage programs better.
- DOE addresses deficiencies in program performance and sets good measures to assess performance in the future. DOE, for instance, now has a better idea of how

well it is both improving existing sources of energy and developing new sources by having concrete goals for reducing the cost of producing energy from wind, solar and hydrogen sources.

Performance is the common thread for all five PMA initiatives. Human capital is affected by each of the PMA successes highlighted by the President. The DOE Chief Human Capital Officer (CHCO) is transforming human resources management to provide options and solutions to drive business results to fulfill customer needs and achieve the Department's mission. Through collaborative partnerships established by the integrated DOE President's Management Agenda structure, DOE human capital efforts will maximize the talent, diversity, commitment, and capabilities of the Department's workforce. The DOE PMA structure is explained in Figure 9, *DOE President's Management Agenda Structure*.

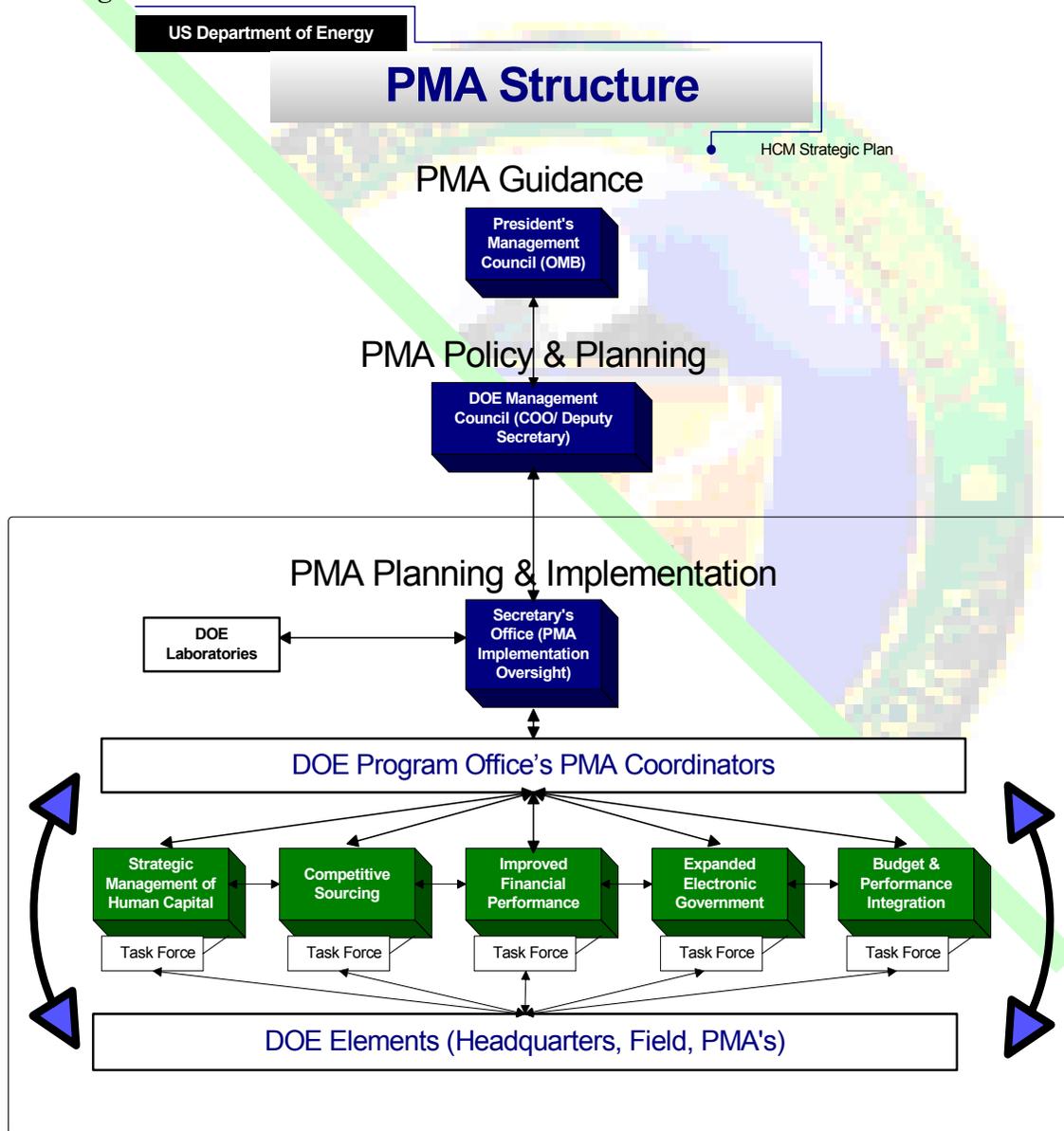


Figure 9: DOE President's Management Agenda Structure

Competitive Sourcing

OMB states in its report on Competitive Sourcing, September 2003 that “involvement of human resources professionals is key to ensuring that competitive sourcing is applied consistent with each Agency’s strategic workforce planning.” Competitive sourcing is a major component of human capital management as the Department assesses its most efficient organizations for competing with the private sector for Federal commercial-in-nature jobs. The Department has taken several steps to establish competitive sourcing as sound management practice by positioning itself to improve many of its day-to-day operations through the strategic application of public-private competition. The Department’s three-tiered approach for achieving competitive sourcing goals is to:

- Customize competition plans (these include in depth "feasibility" reviews of competitive study candidates) to identify where public-private competition will be most beneficial to the mission and workforce mix;
- Appoint a high-level manager with extensive competition experience to promote sound and accountable decision making; surround him/her with other high level managers representing the various disciplines that will contribute to effective competitive sourcing; and
- Improve processes for fair and efficient conduct of public-private competition and sufficient oversight to ensure promised results are delivered

The Office of Human Resources Management has worked extensively with the DOE elements, Presidential Management Agenda champions, and the senior DOE Management Council in selecting candidate functions from across the Agency to undergo a business case analysis to support a go/no go decision on conducting a public-private competition. As competitions have proceeded, "Most Efficient Organizations," were prepared with scrupulous attention to principles of competition and the merit system; labor unions were involved to the maximum appropriate degree; and pre-decisional documents were formally vetted with the DOE elements prior to a formal decision.

By September 2003, DOE had identified 31% of its workforce performing commercial activities available for competition as of September 2003. The functions selected were: information technology, logistics, financial management, graphics, human resources/training, and Headquarters civil rights review. Most of these functions have been analyzed with a Department-wide approach, rather than having been limited to single organizations only. Note that for this round, the power marketing administrations were exempt from inclusion and are implementing their own competitive sourcing policies and practices.

So far, of the six functions identified as commercial-in-nature, DOE has competed three; one has resulted in a contractor's taking over the subject functions (civil rights review) and two have resulted in the MEO's selection. The training study is in the MEO stage and the information technology study, the largest, will be competed in early fiscal year 2005.

A new function, Human Resources Advisor (HRA), is one of the most important internal functions to competitive sourcing. The HRA, identified as a human resources manager with staff assistance, must work with management at all times and at all stages of the competitive process to ensure that management is considering every aspect of Human Capital Management when devising competition plans and to ensure that Federal employees' rights and options are preserved. The HRA combines all the attributes of consultants, referees, and spokespersons for Human Capital Management. In DOE, the HRA is especially important in pulling together the disparate programmatic philosophies and authorities into one coherent approach toward competitive sourcing.

E-Government

The DOE has made great strides in fulfilling the President's vision to "expand the use of the Internet to empower citizens..." This citizen-centered initiative has changed the way the Government views information technology. The Department has made applying for jobs more accessible to citizens with its web-based QuickHire system. With QuickHire, citizens can apply for positions, update their information before the close date of a vacancy announcement, and check on the status of vacancy announcements with DOE on line. The DOE's E-center is a web site for information on doing business with the DOE, including viewing current business opportunities, registering to submit proposals, and obtaining information and guidance on the acquisition and financial assistance award process at DOE.

The Department has several internal E-Government initiatives that indirectly impact citizens – systems that save taxpayer dollars through efficiency improvements. The Corporate Human Resources Information System (CHRIS) is part of the DOE's business management information modernization approach to meet human resource, training administration, and information processing; Employee Self Service (ESS) capabilities through a web portal; and on-line paperless transaction requests and approvals with electronic signatures. The Energy Online Learning Center (OLC) is a web-based training system for DOE employees. The Department has begun a Knowledge Management program. A pilot knowledge management portal is in use for human resources professionals across the Department. The portal has been successful in providing the HR community of interest with information that is shared across the country.

The Department launched the Integrated Management Navigation System, I-MANAGE, in January 2003, as a cost-saving program designed to use technology to meet the challenge for achieving greater management efficiencies. The I-MANAGE Program is a key cornerstone in the Department's efforts to implement improved financial performance, integrated budget and performance, and expanded electronic government, as outlined in the President's Management Agenda.

The I-MANAGE Program will consolidate and streamline the Department's business systems by integrating management information related to financial and cost accounting, travel, payroll, budget formulation and execution, procurement and contracts management, facilities management, human resources, and research and development.

Initial efforts will focus on various system components to include the Standard Accounting and Reporting System (STARS), the I-MANAGE Data Warehouse, the Standard Budget System, E-Procurement, and the Corporate Human Resource Information System (CHRIS).

This unified system will be supported at the core by a central data warehouse that links common data elements from each of the Department's business systems. Each manager will use the central data warehouse as a "knowledge bank" of information about portfolios, programs or projects including budget execution, accumulated costs, performance achieved, and critical milestones. Managers will have access to all data in their areas of responsibility and the system technology will provide user alerts, based on business rules defined specifically for each program office, directly notifying the appropriate executive or manager on areas requiring immediate management attention.

The E-Travel Project supports the President's Management Agenda as it relates to improving the internal efficiency and effectiveness of the federal government. The E-Travel initiative rationalizes, automates and consolidates the Federal government's travel process in a web-centric environment, covering all aspects of travel planning, authorization and reservations; to travel claims and voucher reconciliation. It eliminates the paper process still in place in many agencies, while leveraging administrative, financial and information technology best practices. This project will reengineer the entire travel process in an attempt to realize significant cost savings and improved employee productivity.

The purpose of the E-HRIS project is to establish a common core of human resource functions across the Federal government. The project just completed its initial business case as part of the FY 2005 budget formulation process. A next step is the formation of working groups to develop the common core requirements. It is envisioned that eventually a suite of tests will be required of vendors to achieve certification to sell into the Federal market much like the financial software providers have to pass the JFMIP certification tests. This project is in the early planning stages and likely will take several years to complete.

The Corporate Human Resource Information System (CHRIS) encompasses the corporate systems that support human resource processing and information for the Department's employees and is the official system of record for human resource management. CHRIS was the first I-MANAGE component to be successfully implemented. Even though CHRIS is operational, many system enhancements and upgrades are being planned. Michael Fraser is leading the CHRIS effort along with Enid Levine from the Office of Human Resources Management.

All of the internal and external E-Government initiatives at the Department will save taxpayer dollars, assist the Department in operating more efficiently, and provide citizens with the information they need.

Improved Financial Performance

The competitive sourcing process has been completed for financial services. The MEO has won the bid and must now meet stringent performance objectives for improving financial performance. In and of itself, this award to the Federal Government will eliminate 63 positions and save over \$31million over the next five years.

The Standard Accounting and Reporting System (STARS), formerly known as Phoenix, is being designed to provide the Department with a modern, comprehensive, and responsive financial management system that will be the foundation for linking budget formulation, budget execution, financial accounting, financial reporting, cost accounting, and performance measurement.

Budget and Performance Integration

One of the most critical financial functions of every government agency is the preparation and submission of the annual budget. It is imperative that the Department achieves a unified budget formulation, execution, and accounting process that are all linked through the Data Warehouse. The Standard Budgeting System (SBS), a component of I-MANAGE, links Budget and Performance goals and targets to support reporting to OMB and other stakeholders. This new focus on monitoring and measuring the performance of assets in support of our missions is government-wide and imposes major changes in our processes to achieve and maintain compliance.

HUMAN CAPITAL MANAGEMENT STRATEGIC PLAN

The Department of Energy's human capital management goal is to have the right people in the right place at the right time to efficiently and effectively advance the national, economic and energy security of the United States; to promote scientific and technological innovation in support of that mission; and to ensure the environmental cleanup of the national nuclear weapons complex.

Human capital management at the DOE is leadership's strategic approach to maximize the capabilities and commitment of its key assets – its people. Visionary leadership and resolve is essential for the achievement of DOE's mission to not only develop sound program and budget plans but also to identify appropriate human capital solutions and the determination to take the actions necessary to align those human resources to achieve the most effective and efficient accomplishment of the DOE mission. These human capital strategies include the implementation of effective recruiting, hiring, motivating, competency development, retention, and diversity goals and objectives that assure mission accomplishment and instill a results-oriented culture. The various components of the human resources community, in partnership with management officials, customers, and other key stakeholders forge a strong and vital coalition that achieves breakthrough results with high impact on Agency programs, resources, and efficiency. It is through this innovative, dynamic, and integrated approach that the DOE will become the employer of choice.

DOE is engaged in several ongoing initiatives toward meeting human capital goals and showing results. The Secretary has appointed a Chief Human Capital Officer (CHCO) who is responsible for DOE's results in human capital management. The Chief Human Capital Officer participates on the Department's Management Council where she is able to promote human capital planning and management issues. As a result, the Secretary and/or the Deputy Secretary have established several important human capital policies that direct the Department's human capital focus.

The DOE measures human capital management success using the Office of Personnel Management's (OPM's) Human Capital Standards for Success. The following pages of this section are arranged in the order of the Standards for Success and show, for each standard, how far we have come toward meeting each of the five strategies (ongoing initiatives), and continuing improvements that the Department commits to in the Action Plan. These strategies have been tailored to meet the Department's needs for achieving sound human capital management practices. They are:

- **Strategic Alignment/Human Capital Planning:** To institute a practice of systematic human capital management that is aligned with the DOE and DOE Element Strategic

Plans and to integrate human capital planning and management with the Planning, Programming, Budget and Evaluation (PPBE) process.

- **Workforce Planning and Deployment:** To ensure that workforce recruitment, retention, and redeployment decisions across the Department are based on mission needs and customer expectations and to close the skill gaps now and in the future.
- **Leadership and Diversity:** To guarantee that DOE elements plan for continuity of leadership with a cadre of leaders who effectively champion change, ethical behavior, and diversity management. Further, to ensure that DOE employees embody the face of America across all skills and grades.
- **Knowledge Management:** To develop and foster the use of knowledge management programs and technologies for gathering, sharing and transferring knowledge that addresses the training and development needs of the workforce.
- **Performance Culture:** To ensure a direct line between employee performance expectations and recognition systems to the DOE elements' missions and to identify developmental needs and address poor performance.
- **Talent:** To provide workforce analysis tools and guidance to DOE elements to use for identifying mission critical occupations and competencies.

Strategy 1, Strategic Alignment

Strategic alignment is the positioning of essential organizational components and resources to achieve missions, goals, and objectives. Strategic alignment of human capital is the recruitment, development, deployment, and retention of human resources capable of performing the Agency mission. The DOE Strategic Plan and human capital management within the Department are closely aligned, with initiatives in place and ongoing activities for ensuring strategic alignment of human capital.

The Associate Deputy Secretary of Energy is the champion for the President's Management Agenda initiatives and coordinates closely with the Department's Management Council, chaired by the Deputy Secretary. The Chief Human Capital Officer (CHCO) is responsible for advising the Secretary of Energy and the DOE Management Council on all human capital management matters. The Chief Human Capital Officer's Act states that Chief Human Capital Officers of agencies will:

“Advise and assist the head of the Agency and other Agency officials in carrying out the Agency's responsibilities for selecting, developing, training, and managing a high-quality, productive workforce in accordance with merit system principles.”

The Department's CHCO role is expanding beyond the letter of the law to make a more dramatic impact on human capital management. The CHCO's Human Capital Coalition provides an integrated Department-wide approach to managing human capital. The Human Capital Coalition consists of DOE senior human resources, professional development, and diversity managers and is headed by the CHCO.

On-going Initiatives

Human Capital Coalition (HCC)

The National Defense Authorization Act for FY 2004 and Executive Order 13197 requires that each Agency, as part of Human Capital Management accountability, that each Agency shall "establish and maintain a system of accountability for merit system principles that (1) sets standards for applying the merit system principles, (2) measures the Agency's effectiveness in meeting these standards, and (3) corrects any deficiencies in meeting these standards. As indicated in Figure 9, *DOE President's Management Agenda Structure*, the DOE Human Capital Coalition (HCC), chaired by the CHCO, is synonymous with the task force for human capital management. The HCC provides an integrated Department-wide approach to managing human capital. HCC membership consists of DOE senior human resources directors, training officials, and senior diversity managers.

The HCC guides the Department's managers in meeting human capital goals and objectives through a "One HR" concept. The CHCO/HR Director is at the center of the organization and coordinates and advises the Department's overall human capital management strategy. The Deputy Director manages direct reports, is responsible for human capital management accomplishments and the transformation to the "One HR" concept of operations, business operations, contractor oversight, budget, administrative functions, and space management. The three organizations within the "One HR" concept of operations are integrated to provide optimal service to DOE management. Figure 10, *One HR Concept of Operations*, illustrates the interrelationships between the strategic planning, innovations and solutions, and operations groups of the Department's Office of Human Resources.

Reaching across PMA initiatives, the HR transformation goes hand-in-hand with the evolving Agency. These goals are the pillar for human capital in the new DOE environment:

- Improve customer satisfaction levels and enhance service consistency;
- Focus on strategic HR services;
- Partner with customers and understand their missions and business needs in order to effectively deliver solutions;
- Improve flexibility to respond to changing business needs;
- Free HR professional and executive time to focus on priority human capital issues;

- Enhance HR professional excellence in strategic problem solving and creative solutions while ensuring a strong technical foundation;
- Maintain and improve the level of technical excellence – what we are known for;
- Enhance skill levels of HR/HC professionals;
- Reduce or hold the line on “total cost to serve” and on HR transactional and administrative functions;
- Engage in active measurement of operational improvements; and
- Create a new capability to test new concepts and then export refined models to the entire organization.

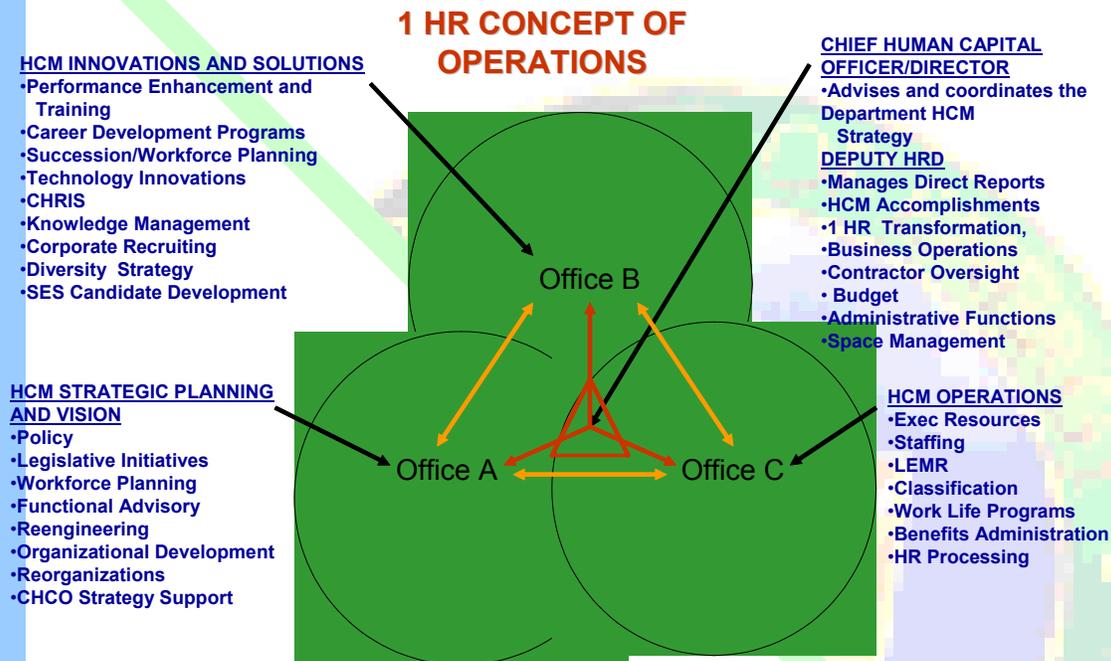


Figure 10: One HR Concept of Operations

Restructuring

The DOE Strategic Plan communicates the direction the Secretary and Deputy Secretary have committed to take, and outlines the foundation for DOE Elements to programmatically and functionally align. The Department has and is continuing to undergo several restructuring initiatives (as described in the DOE Five Year Workforce Restructuring Plan) in order to best utilize human capital to accomplish the missions of the four business lines identified in the DOE Strategic Plan: Defense, Science, Energy, and Environment. For instance, the National Nuclear Security Administration (NNSA), a semi-autonomous administration within the Department, is realigning to improve efficiency and effectiveness with 20% fewer employees (The NNSA has met its staffing targets as of March 2004). To this end, NNSA designed a new organizational structure that:

- Removes a layer of management by disestablishing Operations Offices;

- Locates NNSA support and oversight close to laboratories and plants by strengthening Site Offices;
- Consolidates support functions in a single Service Center organization; and
- Allows NNSA to adopt challenging staff reduction targets to be achieved by the end of Fiscal Year (FY) 2004.

The Office of Environmental Management (EM) has implemented a Headquarters reorganization, which facilitates the Top-to-Bottom Review objectives of accelerating risk reduction and cleanup and improving organizational effectiveness. The future viability of EM will depend on the clear demonstration of results in cleaning up and closing EM sites. Implementing the reorganization of EM Headquarters clearly focuses the organization on cleanup and closure. The new EM structure results in an overall decrease of 27% in the EM Headquarters management structure.

The Office of Science (SC) is restructuring under a new "OneSC" concept. The new SC restructuring plan includes a clear set of integrated roles, responsibilities, authorities, and accountabilities; encompassing the HQ organization, nine Site Offices, the Oak Ridge and Chicago Offices, and the Integrated Support Center (ISC). A level of management is eliminated from the Field. Policy, direction, and scientific program development and management functions are in HQ, while program execution and implementation functions are in the Field. The OneSC Project thereby embraces the changes envisioned by the President's Management Agenda (PMA), and directly supports the PMA objective to manage Government programs more economically and effectively. It provides a management environment for SC employees where their success and high performance can continue in the face of changing resources, requirements, and societal needs.

The Department's Office of Human Resources is also undergoing transformation, to better serve its customers, DOE employees, as depicted in the aforementioned "One HR" Concept of Operations. The human resources transformation reaches across PMA initiatives to align HR to an ever-changing and emerging environment.

Continual Assessment

In response to the continual need to adjust the human capital resources to meet DOE's mission objectives and goals, the Agency has developed the Human Capital Management Improvement Program (HCMIP), a web-based assessment and information-sharing effort. Under HCMIP, program offices within DOE respond to the Human Capital Management Standards for Success, a list of factors that describe a well-functioning human resources program, developed in conjunction with OPM. These responses are posted on the HCMIP portal and may be viewed throughout the Agency; thus, continual benchmarking among programs is available. As human capital results are achieved, goals can be adjusted, resources can be re-aligned as needed, and HCMIP reports can be subsequently updated.

Performance Management

In the past, organizations have enjoyed considerable discretion in the design and administration of their performance management systems. Performance management systems are in place that directly tie SES performance plans to mission and include incentives for performance. The senior managers' performance plans cascade through the ranks where all employees' performance plans will ultimately be tied to the missions of their organizations. Finally, the DOE Strategic Plan establishes a Department-wide vision that guides human capital planning and activities, and directly commits to ensuring that "it has the necessary skills available to carry out its missions and rebuild a pipeline of skills for the future, while recognizing the increasing retirement rate."⁴ These important initiatives are the impetus for clearly aligning missions to human capital planning and investments.

In addition, corporate training and career development plans directly align with the Department's Strategic Plan, President's Management Agenda, Human Capital Management Initiatives, Secretary's Workforce Restructuring Initiative, E-Government Strategic Action Plan, and E-Government Act of 2001, and includes Government Performance Results Act-related performance measures. The common threads across the human capital initiatives are strategic direction and accountability. The strategic direction, passed on from the DOE Management Council to the CHCO, and to the other PMA chiefs and PMA task forces, unifies these critical human capital planning and management activities and initiatives, directly impacting the Department's ability to recruit, retain, and close critical skill gaps now and in the future.

Continuing Improvements

This Human Capital Management Strategic Plan (HCMSP) is a step toward improvement that draws together strategies two through six under the umbrella of strategy 1, strategic management of human capital, to tie directly to the Department's Strategic Plan. The HCMSP brings together all of the human capital management activities into one document, thereby providing a 20,000 foot view of human capital management. The Department will draw upon the HCMSP to make strategic and corporate improvements in human capital management. Specific improvements in strategies two through six are cited generally in the strategic plan section and specifically in the action plan.

Human Capital Coalition (HCC)

The strategic alignment of human capital has come far in the Department, but there is still progress to be made. The HCC, in concert with the DOE Management Council, are continuing to build partnerships for a culture of excellence in the Department.

⁴ Department of Energy Strategic Plan, September 30, 2003

Restructuring

The Department's Workforce Restructuring Initiative provides the plans for how the Department will improve efficiencies and effectiveness in completing missions. The Department's commitment in the Workforce Restructuring Initiative to acquire 15% of new hires at the entry level has been achieved through the Career Intern Program and other entry-level initiatives.

The restructuring plans across the Department focus on reducing the number of managers, reducing management layers, consolidating business functions, and other cost saving efforts. Restructuring efforts currently underway are utilizing VSIPs (buyouts) and VERAs (early outs) to replace outdated skills with newly needed skills. The restructuring initiatives have met interim milestones and will soon show efficiency and effectiveness improvements.

Continual Assessment

The HCMIP portal will provide continual benchmarking among Departmental Elements. As human capital results are achieved, goals will be adjusted, resources will be re-aligned, and HCMIP reports will continue to be updated.

Performance Management

At this time, approximately 60% of employee performance plans are tied to mission. The Department is well on the way to having 100% of employee performance plans directly related to missions.

Strategy 2, Workforce Planning and Deployment

As stated in the Executive Summary, nearly two thirds of the DOE workforce will become eligible to retire over the next five years. The Department has already lost highly specialized skills through normal attrition, buyouts, and retirement due to restructuring initiatives that it must replenish now and plan for in the future as a large portion of the workforce retires. Workforce planning and deployment are critical for addressing skill gaps and attrition.

Ongoing Initiatives

Workforce Plans

This year, the Department has compiled its first collection of Workforce Plans from DOE Elements. The DOE Elements' Workforce Plans have a common thread – the aging workforce and the need to prepare for the exodus of retirement-eligible executives and employees described in the workforce demographics of

this document. The Department has conducted its own analysis of the DOE workforce to determine what skills it thinks will need to be replenished as the mass departure occurs. Through the combined Workforce Plans and the Departmental analysis, the identified critical skills that will be needed to accomplish missions in the future are in the following areas: scientific and technical, program and contract management, and information management. Through the Department's Proud To Be Commitments, skill gaps will be reduced in the mission critical occupations for project and contract management, and IT by June 2004. Long-term objectives for securing and maintaining a skilled workforce as the aging workforce leaves are being established in DOE Elements' Workforce Plans.

The CHCO provides the human capital management requirements to be included in the Workforce Plans via the Human Capital Scoring Requirement and Proud To Be Commitments. They include workforce analysis, succession planning, addressing obstacles, efficiencies achieved through either planned or realized restructuring, and project plans with clear milestones, roles and responsibilities, and target completion dates for how the organizations plan to guarantee a talented workforce exists now and in the future, utilizing Departmental tools and resources. DOE Elements are required to report progress toward meeting workforce plan milestones quarterly for the CHCO's PMA Internal Scorecard and Proud To Be Commitments. This quarterly reporting promotes action on the part of programs to improve human capital management.

Technical Qualification Program (TQP)

The DOE is committed to developing and maintaining a technically competent workforce to accomplish its missions in a safe and efficient manner. The Federal Technical Capability Program (FTCP), which was established on May 5, 1998, provides for the recruitment, deployment, development, and retention of Federal personnel with the demonstrated technical capability to safely accomplish the Department's defense related mission and responsibilities.

The Department has identified guiding principles to accomplish that objective and identified four general functions of the Federal Technical Capability Program. The Federal Technical Capability Panel (Panel) is responsible for overseeing the overall implementation of the Federal Technical Capability Program. Headquarters and Field elements are responsible for implementing specific activities within the program. Some activities addressing technical capability functions apply complex-wide; for example, the Department's Policies, Orders, and Standards, which promulgate requirements and guidelines for the administration of technical training. Other mechanisms vary from site to site or between program offices. For example, in implementing an Order directed at developing the technical capabilities of its workforce, each Field office and Headquarters program office develops and implements a program that meets the complex-wide requirements defined in the Order. However, the offices are then

free to customize implementation details to meet the needs defined by line management at each site or program office. The principles of the FTCP are as follows:

- As stated in the Department's Integrated Safety Management Guiding Principles, "Federal personnel possess the experience, knowledge, skills, and abilities that are necessary to discharge their safety responsibilities";
- Line managers are accountable and have the responsibility, authority, and flexibility to achieve and maintain technical excellence
- Supporting organizations (personnel, training, contracts, finance, etc.) recognize line managers as customers and effectively support them in achieving and maintaining technical capabilities.
- An integrated corporate approach is required to assure that necessary technical capabilities and resources are available to meet the overall needs of the Department's defense nuclear facility missions.

Employee Self Service (ESS) Skills Assessment Tool

The Department, in response to the President's Management Agenda (PMA) and the Office of Management and Budget's (OMB) identification of the need for the DOE to reduce skill gaps, has focused attention on skills gaps within its mission critical occupations through an aggressive workforce planning initiative for reducing skills gaps within mission critical occupations. A component of the Department's workforce planning initiative is a web-based Skills Assessment Tool, developed to address skills gaps of the existing workforce. The skills assessment tool of the Employee Self Service module of CHRIS provides a path forward that supports the workforce planning commitments within the DOE "Proud To Be" document.

The Department conducted an initial pilot with the Nuclear Facility Safety sites' employees in the Technical Qualification Program (TQP) (Phase I), and is now rolling the skills assessment tool out to the remainder of the DOE sites for other scientific and technical positions (Phase II).

Supervisors initiate the assessment process for an employee by selecting a set of competencies for which they would like the employee to use in the self-assessment. Employees then assess their competence against specific competency areas, and supervisors then appraise their employees' skills assessment. The following competencies are available for self- and supervisory- assessment:

- General and technical IT managers;
- Project Management Career Development Program (PMCDP);
- Acquisition Management;
- Program Management; and
- TQP.

The Office of the Departmental Representative to the Defense Nuclear Facilities Safety Board (DR-1) and the Federal Technical Capability Program (FTCP) Panel

have endorsed the use of the ESS Skills Assessment Tool in the Department’s efforts to reduce skills gaps in mission critical occupations.

Continuing Improvements

Workforce Plans

The Department will continue to employ long-term objectives for effective and efficient workforce planning and deployment to ensure a continuous supply of skilled employees at DOE. Specifically,

- Human capital managers will work with DOE Elements to assist in the development of competencies for critical and noncritical skills;
- DOE elements’ workforce plans will be strengthened and will identify current and projected skill gaps and associated strategies for closing the gaps; and
- DOE skill gaps will be reduced.

Technical Qualification Program

- A Departmental goal is to exceed its 80% fully qualified rate for all personnel in the Technical Qualification Program (TQP)
- A Departmental goal is to have no personnel participating in the TQP who are overdue in their qualifications (0% overdue)

Table 5: *Technical Qualification Trend*, illustrates the continuing improvements for qualifying safety personnel and Table 6: *DOE Trend on Overdue Qualifications*, illustrates improvements in timely qualifications.

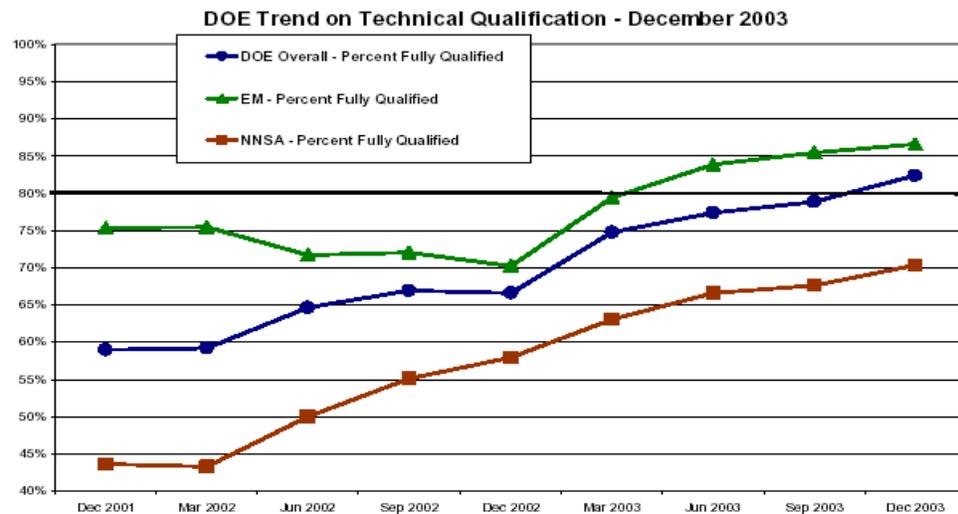


Table 5: Technical Qualification Trend

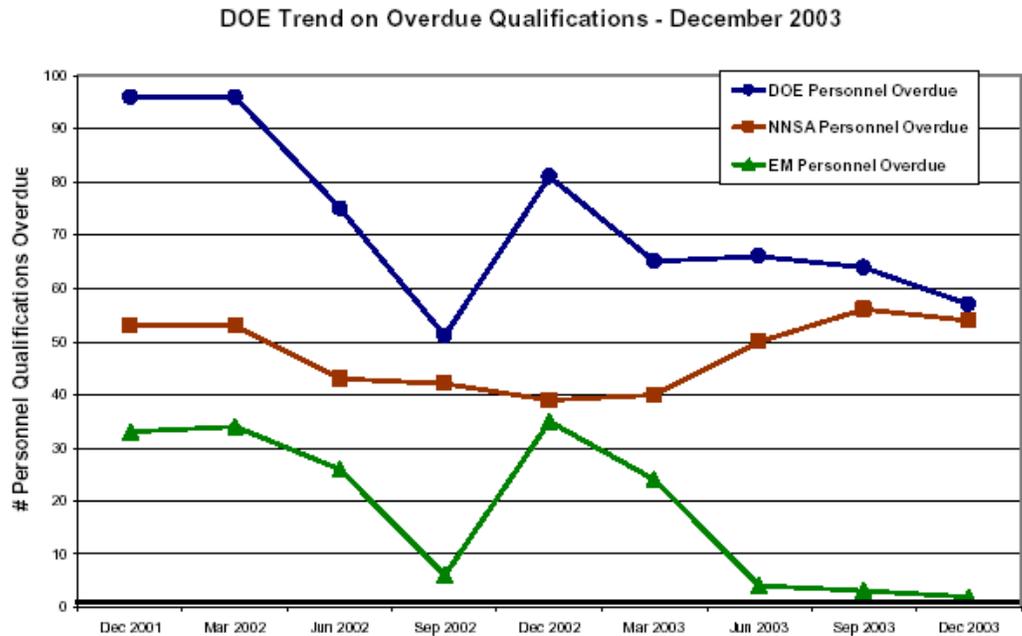


Table 6: Trend on Overdue Qualifications

Employee Self Service (ESS) Skills Assessment Tool

The pilot of the Skills Assessment Tool has been a success with employees and managers in the TQP. This skills assessment process has just been rolled out the remainder of the scientific and technical workforce. The Department is planning on meeting its commitments in the area of skills gap analysis during FY 2004 as a major element of addressing our overall workforce and succession management planning. The Skills Assessment Tool will continue to be used and will evolve with the workforce planning needs of the Department.

Strategy 3, Leadership and Diversity

The Department is committed to ensure that DOE leaders are highly skilled, well qualified, and DOE employees as a whole represent the face of America across occupations and grades. Currently, approximately five percent of DOE's Federal workforce is thirty years of age or younger. Nearly two thirds of the remaining DOE workforce will be eligible for optional or early retirement between now and FY 2008. These numbers could present serious knowledge, skill, and capability deficits within the Agency if the attrition rate increases and strategies are not in place to address these losses. Therefore, the Department is taking significant steps to guarantee that the talented DOE employees are developed into the leaders of the future through succession planning

and professional/career development. Strategy 6, Talent, addresses the Department's mission-critical occupations, business forecasting, and recruitment and retention strategies for attracting, acquiring, and retaining these future leaders.

Ongoing Initiatives



Figure 11: Succession Planning Model

Succession Planning

The Department's human resources management community realizes the criticality of succession planning as the Department faces many new challenges related to the overall aging of the Federal workforce, the depletion of leadership skills, and the need to address serious skill gaps as a result of attrition and/or new workforce needs driven by technology. The Department has developed a workforce and succession planning/management model designed to ensure the Department has a highly skilled, well-qualified and diverse workforce capable of accomplishing multiple Department/Agency missions. The Department's Succession Planning Model has been developed for DOE Elements to utilize for their specific succession planning needs. The model employs both core competencies and a web-based skills assessment tool that were described in the Workforce Planning and Deployment section of this document. Figure 11, *Succession Planning Model*, illustrates the Department's guidance for succession planning.

The succession planning model derives strategic direction input from the strategic management cascade, which includes the DOE Strategic Plan, program plans, five

year plans, annual performance plans, performance standards, and finally performance and accountability reports. The strategic direction cascade helps DOE Elements to identify current and future functional requirements, or demand. The current human capital supply is analyzed and compared to the future, including an analysis of normal attrition and retirement eligibility of the current workforce. Programs are then encouraged to perform labor and trend analyses, and finally, a gap analysis. The gap analysis is a look at current and future projected gaps based on results of the supply/demand analysis and labor and trend analyses.

Next, DOE Elements are encouraged to utilize their gap analyses to develop an action plan for having a continuous supply of the right people in the right jobs at the right time. The action plans contain utilization of corporate recruitment and retention strategies discussed in Strategy 6, Talent, coupled with the utilization of available corporate career development and training opportunities defined in this section. Finally, DOE Elements are asked to continually assess and revise human capital management strategies where and when necessary to meet evolving demographics and/or mission requirements. These succession planning activities will ensure that DOE's strategic missions are accomplished by a qualified cadre of talented individuals who will carry the Department into the future.

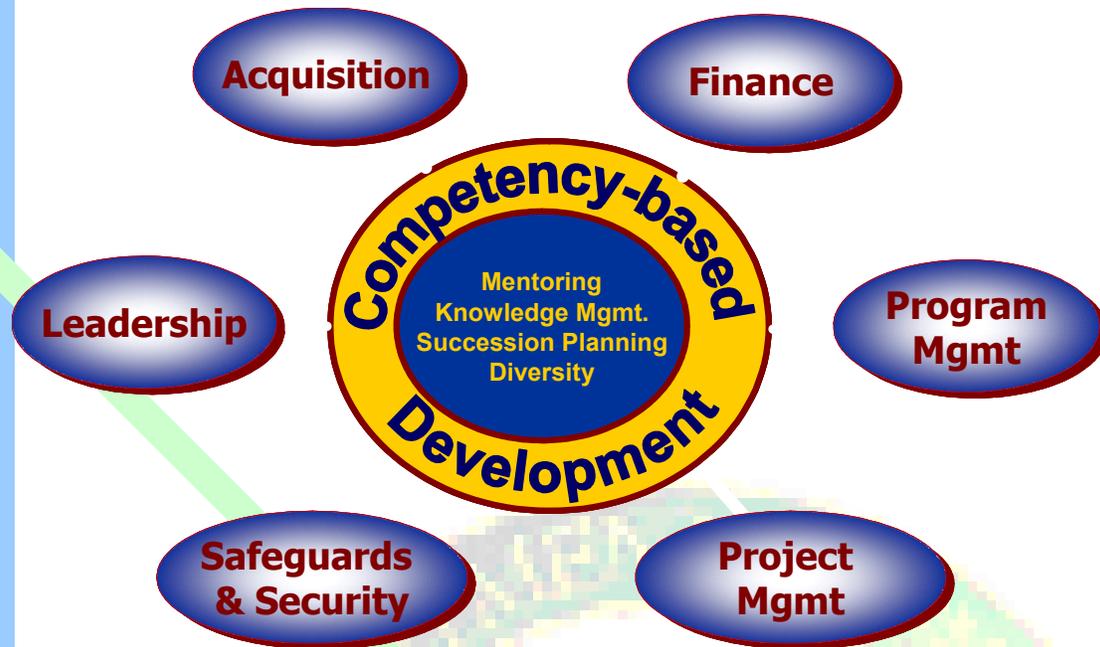


Figure 12: Competency-Based Development Model

Professional/Career Development

Use of the Department's Succession Planning/Management Model, depicted in Figure 11, identifies the needed skills to carry the Department forward. DOE has put into place several institutional professional/career development initiatives to ensure the Department has a highly skilled, well-qualified and diverse workforce capable of accomplishing multiple Department/Agency missions. Figure 12, *Competency-Based Development Model*, illustrates the career development and training model that DOE employs to meet the succession planning needs of the Department. Below is a list of some of the ongoing career development and training initiatives at DOE, followed by specific career development programs to address specific skills gaps:

- The 2004 DOE mentoring program targets two separate groups: GS-9 through 12 and GS-13 through 15. Both groups are primarily mentored by SES. The 12-month mentoring program will provide employees with an orientation session and a series of half-day workshops designed to assist mentors and protégés in developing effective mentoring relationships. Quarterly meetings will also be announced to cover special topics of interest that focus on mentoring as a management and leadership tool.
- Competency-based corporate career development and leadership programs are available to all employees interested in furthering their abilities (some of the programs already in progress are the Senior Executive Service (SES) Candidate Development Program, the Leadership

Transition Program, and a new multi-level supervisory and managerial training program);

- The Department has established a set of leadership competencies that will be used throughout DOE for use in succession planning;
- The Supervisory and Managerial Training Program has been expanded to provide competency based training and development to new as well as experienced team leaders, supervisors, and managers. Using a blended learning approach, the curriculum provides foundation, core and specialized subjects for all levels. The program is designed around planning, organizing, directing and controlling.

The Chief Information Officer (OCIO/IM) and the Offices of Human Resources (HR), Procurement (PR), and Engineering and Construction Management (OECM) within the Office of the Chief Financial Officer (OMBE/CFO) have collaborated and responded to the skill gaps that are and will continue to occur over the next ten years. The career development programs that follow specifically address the current and future program, project, and IT project management skills gaps at DOE specifically targeted by the PMA.

Project Management Career Development Program

The President's Management Agenda specifically identifies project management and acquisition management as vulnerable human capital risks at the DOE. The Department has over \$40 Billion in complex construction, nuclear, and scientific research projects in progress at any given time and an additional \$120 Billion of environmental clean-up and restoration work. These complex projects require seasoned skills in acquisition management and program and project management. Without proper project management training and development, taxpayer dollars will be wasted due to lack of ability and control.

The Department recognizes the criticality of successful project completion. Project management has, therefore, become a focal point for improvement efforts. Project management centers of excellence (e.g., project management offices), training programs, and organization change programs to improve project management practices are increasingly common parts of Departmental strategic plans to improve organizational effectiveness.

In 1998, DOE defined its acquisition workforce to include contract specialists/contracting officers, purchasing agents, financial assistance specialists, property managers, and project directors under the umbrella DOE Order 361.1, *Federal Employee Training*, dated 11-10-99, establishing training and certification requirements for the acquisition workforce. In 2001, the effort to develop a formal training and certification program was initiated by the Deputy Secretary, consistent with recommendations from internal DOE reports, General Accounting Office (GAO) reports, and a 1999 National Research Council report.

As a result of the importance of projects to the Department, on January 17, 2001, the Deputy Secretary directed the Office of Engineering and Construction Management (OECM) to establish the PMCDP. This program has defined necessary DOE project management knowledge, skills, and abilities; DOE project management training requirements; a DOE career development tracking system; and a DOE project management certification program. The PMCDP module of DOE Order 361.1, *Federal Employee Training*, establishes a well-defined career path for project directors, and includes certification, minimum training and continuing education (CU) requirements, and project responsibilities commensurate with clearly defined qualifications. The PMCDP is a component of the DOE acquisition workforce program.

Four certification levels have been established before employees in the program are delegated authority for projects with the following thresholds:

- Certification Level 4: Total Project Cost (TPC) exceeding \$400M
- Certification Level 3: TPC between \$100M and \$400M
- Certification Level 2: TPC between \$20M and \$100M
- Certification Level 1: TPC between \$5M and \$20M

Program Secretarial Officers and Field Element Managers are responsible for ensuring their Federal project directors are certified at the appropriate level before authority for projects is delegated to those individuals. Project management professionals are responsible for updating their Individual Development Plans (IDPs) with the assistance and counsel of their supervisor.

Acquisition Career Development Program

Executive Order 12931, "Federal Procurement Reform," underscores the Administration's approach to procurement management and requires agencies to establish career education programs for procurement professionals. DOE Order 361.1, *Federal Employee Training*, establishes the DOE Acquisition Career Development Program for the acquisition workforce, thereby establishing the common foundation of knowledge, tools, and capabilities necessary to fulfill the needs and expectations of the DOE community for a highly skilled acquisition workforce. The following modules are included in the DOE Order 361.1, *Federal Employee Training*:

- Contracting and purchasing career development program module;
- Personal property management career development program module;
- Financial assistance career development program module;
- Project management career development program module (as described above);
- Contracting officer/contracting officer's representative training requirements; and
- Continuous learning/continuing education guidance

DOE Order 361.1, *Federal Employee Training*, is under development in the areas of program management and contractor human resource management career

development programs. As of March 2003, 93% of employees in the contracting specialist (1102) occupational series were certified in the Acquisition Career Development Program.

Information Technology (IT) Project Management Development

The Office of Management and Budget (OMB), in a continuing effort to strengthen accountability for information technology (IT) expenditures, stated in the FY 2004 pass back that beginning in FY 2004, IT projects must be managed by a qualified project manager (PM) or risk termination of funding. DOE established an internal team to research project management certification initiatives and services provided by NASA, USDA, DOJ, HUD, GSA (STAR program), OPM, Federal CIO Council, Project Management Institute (PMI), ESI International, National Defense University, George Washington University, Management Concepts, and American University. The team also met with the Project Management Career Development Program (PMCDP) Team within the Department.

The Department established a certification process similar to the Project Management Career Development Program (PMCDP), specific to ITPM requirements. The PMCDP, based upon the core competencies of the Project Management Institute (PMI), builds core project management skills to be leveraged in various functional areas across DOE. The governance for the certification process will expand upon existing IT capital planning and investment control policy and procedures within the CIO's office.

Information Technology Project Managers' (ITPMs) certification level is determined by the system categorization in the annual Exhibit 300's. The Department has identified three levels of ITPM certification. The three level criteria are as follows:

- Certification Level 1: Manages infrastructure/legacy systems, maintenance, modification of existing systems, single function, single office, and/or low policy impact, less than \$2M;
- Certification Level 2: Complex, multiple-DOE components, multi-function, political, high policy impact, inter-Departmental, inter-program, inter-Agency, mission critical, financial, new development, and/or multi-year, greater than \$2M; and
- Certification Level 3: Portfolio management.

To support the certification initiative, a project management IT course is taught through a "hybrid" learning environment – a combination of classroom discussions, televideo, and teleconference sessions, and online training available through DOE's Online Learning Center (OLC). It covers the primary concepts of project management at an intermediate level of expertise with a specific focus on those who manage information technology projects. It also introduces project management best practices from DOE, other Federal agencies, and the private sector.

Diversity

First and foremost, the Department is committed to embrace diversity and value trust, respect, and the fair treatment of each individual, without regard to difference. In that vein, there are several initiatives underway for improving diversity representation at the DOE to address the disparity of under representation of minorities, women, and people with disabilities. Specifically,

- The Department currently partners with several minority and women organizations and institutions. Vacancy announcements are automatically sent through DOEs Quickhire to these institutions. In addition recruitment efforts are planned or underway.
- A Hispanic Employment Plan has been published for addressing the disparity between the growing Hispanic civilian labor force and the DOE Hispanic labor force.
- A major Human Capital Management initiative led by the Office of Human Resources Management is The DOE Hispanic Employment Program. Like most Federal agencies, the DOE is challenged to reduce the under representation of Hispanic employees. As of March 2004 6.0% of the Department's current workforce is Hispanic; in the Civilian Labor Force Hispanics represent 13% of the workforce. In January 2002 the Office of Human Resources Management began to address this gap of under representation by formally starting a DOE-Wide Hispanic Employment Program; commencing with the hiring of a DOE National Hispanic Employment Program Manager. Since 2002 the Department has issued under the direction of the Office of the Secretary, a Hispanic Employment Policy Statement, a Hispanic Employment Plan, and will begin in March 2004, a Council of Hispanic Employment Coordinators. Due to these efforts the Department has seen a reduction in the under representation of Hispanics. A recent study indicated that more than 15% of all applicants for DOE positions were Hispanic and since January 2002 the Department has increase its percentage of Hispanic employees by .5%. This increase took place while the Department as a whole has reduced its overall employment numbers by 8% (900 employees). Despite the downward trend of employment in the Department Hispanic employment continues to grow. In particular, between March and September 2003, 8.7% of all new hires into the Department were Hispanic. DOE is focused on ensuring that Hispanics are provided every opportunity to compete for positions. DOE has begun a directed outreach and recruitment program that will involve the entire DOE complex. The program will ensure the involvement of major Hispanic non-profit organizations and Hispanic Serving Institutions. The effort will focus on encouraging Hispanic students and professionals to seek and apply for positions at DOE, including positions in the Senior Executive Service.
- The DOE has instituted several initiatives to achieving a large pool of well-qualified candidates with disabilities and making accommodations for employees with disabilities. These initiatives include the establishment of a Department-wide team of special placement program coordinators

who will share best practices among the various DOE components, and establish new and innovative recruitment strategies for hiring people with disabilities. Additionally, a website has been established for DOE managers, as well as potential applicants with disabilities. This site includes a database where individuals with disabilities can tell us about their skills, education, and types of jobs they are interested in. This website is located at: <http://ma.mbe.doe.gov/pers/SPEM/Disindex.htm>. Further, to help insure the ready availability of adaptive technology, the DOE is participating in the Department of Defense's Computer/Electronic Accommodation Program (CAP). Through CAP, appropriate adaptive equipment can be made available at no cost to our program offices.

- Performance plans of senior leaders include a diversity element for hiring, managing, and treating fairly, a diverse workforce. From the end of FY 2002 through March 25, 2004, despite an overall decrease in the number of SES within DOE, the Department has increased the representation of women and minorities within the SES workforce by almost 2%.
- The Department is currently proposing that the Executive Resources Board review program office workforce plans with specific focus on the SES workforce planning and recruitment strategy, particularly to identify successes – or lack thereof – in improving under representation of minorities and women across grades and occupational series' under their purview.

Employee Work/Life Center

The Manager's Corner, part of the HQ Virtual Employee Work Life Center, is designed to be a guide and information tool for employees aspiring to become leaders and those seeking refresher training. The Manager's Corner provides practical approaches to situational leadership and employee development. The Leader's Toolbox contains a variety of resources for the employees who currently serve as managers and leaders within the organization -- and for those who will in the future.

Continuing Improvements

Through the efforts of the DOE Management Council and the Internal Scorecards, DOE organizations are embracing succession planning. Through the creation of human capital consultants within the "One HR" Concept of Operations, the organizations have direct access to and receive extensive support from the HR community for all human capital management/planning needs.

Succession Planning

The groundwork has been laid for succession planning in the Department. Departmental Elements are working to develop succession plans with

strategies for career development and ensuring a diverse workforce exists at all grade levels. The DOE Elements use the quarterly internal scorecard as a guide for continuing improvements in succession planning, career development, and diversity improvement.

Career Development and Training

Future business practices will feature joint Federal and Contractor professional/career development initiatives, pooling of resources and other corporate initiatives to address the critical education and development needs of the Department's workforce now and in the future. However, true success will be achieved when Departmental organizations conduct careful assessments of training needs, prepare detailed organizational and individual plans to address these needs, and assess the effectiveness of such Plans on workforce performance making adjustments as necessary to address budget and workload priorities.

Acquisition, Project Management, and IT Career Development Programs

One of the ongoing challenges in the Department is the need to ensure that Program Managers are properly trained to manage multiple projects, sites, facilities, or information technology portfolios. With the institutionalization of the acquisition and project management career development programs, the Department is well on its way to seeing better managed projects and better oversight of contractors. The IT Project Management Career Development Program is young. The Department has achieved 100% Level 1 certification of ITPMs and levels 2 and 3 are under development.

The Department must make efforts to institutionalize the professional/career development programs through secured funding so that more employees may participate or, if unable to secure funding, find more creative strategies for developing the future leaders. The Human Capital Coalition (HCC) is exploring corporate funding initiatives that will provide for the administration of professional/career development, recruitment, relocation, and retention strategies. There is not currently a solid financial corporate structure for utilizing the administrative flexibilities available to DOE.

Diversity

Supervisors and managers may not always place more value on employees who have recently sharpened their skills or acquired new skills through the professional development and training programs. In addition, supervisors and managers may not give employees an opportunity to utilize their newly acquired skills. These common practices may hinder the retention of talented, assertive, and qualified employees. The Office of Human

Resources is providing tools to facilitate employees' transitions to new opportunities. Human Capital Consultants are available to help managers help employees under their supervision become promoted.

The Department's workforce is not fully representative of the Nation's diversity, but is improving. One of the Department's biggest challenges is to address the imbalance of women, minorities, and persons with disabilities in senior level, executive, and technical positions. Equal employment is embedded in various ongoing initiatives that are improving DOE's diversity statistics, but there is still work to be done.

- Corporate recruitment strategies will be developed that continue to meet the needs of and be employed by all DOE elements and will continue to target diverse institutions;
- Corporate recruitment strategies will devise measures to close the disparity in grades and scientific and technical occupational series' for minorities and women.
- DOE skill gaps will be closed;
- Corporate retention strategies, career development, and training will evolve as it continues to meet the needs of and be employed by all DOE elements; and
- Employed improvements will be regularly assessed for applicability, efficiency, and effectiveness and will evolve with evolving and emerging missions and critical needs.

Strategy 4, Knowledge Management

The Department's vision for knowledge management is to be recognized as having a knowledge management culture that enables and rewards knowledge sharing to enhance organizational effectiveness and accomplishment of the DOE mission. Capturing the institutional knowledge of those eligible to retire now, over the next five years, and into the future is a central need that knowledge management systems and practices will serve.

Ongoing Initiatives

Knowledge Management Working Group

The President's Management Agenda (PMA) specifically identifies Knowledge Management (KM) as an effective approach to addressing critical aspects of the PMA's focus on Human Capital and E-Gov. Those critical aspects -- the identification, capture, organization, dissemination for re-use, and currency of existing Departmental knowledge and expertise -- define the systematic approach to KM and form the core of the DOE's KM initiative.

The Department's vision for knowledge management is to be recognized as having a knowledge management culture that enables and rewards knowledge sharing to enhance organizational effectiveness and accomplishment of the DOE mission. Capturing the institutional knowledge of those eligible to retire now, over the next five years, and into the future is a central need that knowledge management systems and practices will serve.

In developing its corporate approach the Department has drawn heavily upon the lessons learned and best practices of Knowledge Management efforts of other Federal agencies. Such agencies include the Department of Defense (DoD), the Treasury Department, the Federal Highway Administration (FHA), and the Federal Aviation Administration (FAA). The Office of Human Resources has partnered with OCIO to develop innovative solutions to addressing the "brain drain" problem. The Department's corporate approach to Knowledge Management also reflects insights gained from successful knowledge management initiatives in the private sector.

A key attribute gleaned from these organizations is that Knowledge Management is not a "one size fits all" program, but a systemic application of various tools and processes. The approach used to identify, capture, disseminate, and use knowledge is dependent upon the knowledge needs of an organization. In addition, the most successful KM efforts are those implemented and run by the organization that holds the mission critical knowledge.

To facilitate the implementation of KM within the Department, a Departmental Knowledge Management Working Group (KMWG) has been chartered and is defining processes and practices for 1) assisting line management in the selection and application of Knowledge Management tools and processes; 2) identifying knowledge sharing opportunities between program offices; 3) assisting in the development of the Department's KM Strategy, Plan of Action and Milestones; and, 4) benchmarking existing KM processes at other Federal agencies and private sector organizations for applicability and use within the Department.

One of the early accomplishments of the KMWG is the development and publication of the Department's Knowledge Management Strategic Plan and Action Plan.

Human Capital Management Improvement Program (HCMIP)

The Department has developed and implemented the Human Capital Management Improvement Program (HCMIP) using the Human Capital Assessment and Accountability Framework, Standards for Success measures. The HCMIP focuses on determining how the essential HR programs and services are delivered in terms of efficiency, effectiveness, and adherence to merit system principles. Managers utilize the HCMIP to measure the Department's on-going initiatives in the areas of: strategic alignment of human capital; workforce planning and development; leadership and diversity; knowledge management; performance

culture; and talent. The measures also provide standards for evaluating the progress of Departmental Elements in improving human capital management, establish baselines for management improvement, serve as a conduit for sharing best practices between Departmental Elements and other agencies, and serve as a vehicle for Departmental element and executive accountability.

Information and reports generated by the program is provided to Departmental Elements and executives for use in evaluation and further development for human capital improvement strategies. All Departmental Elements as well as Power Marketing Administration, provides a six-month status report and an annual report on its progress and accomplishments in human capital management.

Under the guidance and direction of the Chief Human Capital Officer, the Department will ensure that human capital strategies are guided by a data-driven, results oriented process using the HCMIP and related employee assessments.

Enterprise-wide DOE Human Capital Management E-Gov Support Initiatives

The DOEs training and development workforce, which includes our Management and Operating contractor training managers, is poised and prepared to assist the Department to meet Government-wide human capital management accountability standards. This will be accomplished by providing the products, services, and tools necessary to develop our leaders of the future, by assuring that the Department recruits, hires, and retains individuals with the right job skills in support of the Department's mission, and by creating opportunities for DOE employees to further enhance their skills through a wide variety of career development programs. These are some of the corporate human capital enterprise systems in use at the DOE:

Corporate Human Resources Information System (CHRIS)

The Corporate Human Resource Information System (CHRIS) project encompasses the systems that support human resources management and information for all of the Department's Federal employees. CHRIS was initiated in 1997 to ensure that a state-of-the-art system would be in place for human resource processing and information access prior to the Year 2000 rollover. CHRIS is part of the DOEs business management information modernization approach to meet human resource, training administration, and information processing; Employee Self Service (ESS) capabilities through a web portal; an automated on-line vacancy application system and on-line paperless transaction requests and approvals with electronic signatures. The CHRIS project supports the PMA for strategic management of human capital and expanding E-Government. The CHRIS project is based on best practices, actual operating experience, and extensive deliberations among the community of practice and informed by prior plans of the business, oversight agencies, and Federal consortiums for strategic human capital management.

As part of the integrated I-MANAGE vision (and the first operational system under I-MANAGE), CHRIS serves to “provide the highest quality Human Resource Management information and services to executives, managers, and employees to enable strategic management of the Department’s human capital.”⁵

CHRIS is designed to:

- Provide decision support capability for timely decisions and strategic management of human capital;
- Provide direct access to HR information for DOE executives, managers, and employees to improve customer service and reduce costs;
- Maintain HR information in a centralized location;
- Enable a corporate approach to reengineering HR processes;
- Reduce turnaround time in completing personnel, benefits and payroll transactions; and
- Facilitate a paperless working environment for the core human resource systems and facilities.

To date, CHRIS has implemented the HR/Benefits, Training Administration, and Manage Competencies and workflow for training and personnel action requests in PeopleSoft Human Resources Management System (HRMS). Through ESS employees obtain their Leave and Earnings Statements and view personal information, training records and an annual Personal Benefits Statement; update a wide variety of information including Thrift Savings Plan (TSP) and Federal Employee Health Benefits (FEHB) Open Season; develop on-line Individual Development Plans and conduct skills assessments. DOE Jobs ONLINE is a web-based recruitment tool that uses QuickHire and is linked to USA Jobs. Finally, an AutoRIF module (automated Reduction in Force procedures) is available.

The major shift in emphasis over the next five years, as identified in the CHRIS Five Year Plan, will be to complete the transition from a paper-based set of work processes to paperless web-enabled processes and to increase the focus on the use of analytical capabilities in the system to support strategic alignment with the mission and strategic management of human capital.

E-Learning

The Department is challenged with training its employees and cultivating an environment where employees can learn faster, retain more of what they have learned, and accomplish this at lower costs. The Energy Online Learning Center (OLC) is a web-based training, commercial, off-the-shelf (COTS) system that provides access to online learning and training. It was deployed in Headquarters October 2000 and subsequently deployed to field offices February 2001. The Department is currently planning the migration to the Government’s GoLearn

⁵ Mission statement excerpt from the Working Capital Fund, Department of Energy Corporate Human Resource Information System (CHRIS) FY 2003-2007 Plan, April 4, 2003

system, to be completed by June 30, 2005. This DOE initiative supports the OPM e-Training Initiative, which is one of the President's Management Council approved e-Government Initiatives supporting the President's Management Agenda (PMA). The e-Training Initiative, through GoLearn, represents a Government-wide integrated approach to training and career development through the use of web-based career management tools, training courseware and web-based tools that facilitate continuous learning. The purpose of this effort is to support the Government wide initiative for creating a cost efficient and effective E-Government. This strategy is intended to supports projects that offer performance gains across Agency boundaries, which supports development of the Federal workforce through simplified and one-stop access to high quality e-Training products and services, and, thus, advances the accomplishment of Agency missions.

DOE will use technology to deliver learning activities to the desktop wherever such delivery can be demonstrated to improve learning outcomes and reduce costs independently or in combination with other training methods. The Department's vision is to provide the entire Community with needs based, technology enriched, learning development opportunities through implementation of efficient and effective blended e-learning strategies and solutions.

Continuing Improvements

Knowledge Management Working Group

The KMWG is in the early stages of developing a corporate knowledge management program and is working toward meeting its established goals. Results will not be realized for at least the near future as the group struggles with defining what constitutes knowledge management systems and programs, if they already exist, and if so, how to build a compendium of knowledge management tools that will be used to transfer institutional knowledge. Management is also trying to define the Department's meaning of mission-critical information and where it exists.

Future knowledge management efforts in the Department will target existing E-Government initiatives for addressing the loss of institutional knowledge that will occur as the aging workforce begins to leave. This activity will be the impetus for capturing knowledge and defining a mechanism for transferring the knowledge to employees.

Human Capital Management Improvement Program (HCMIP)

As with all of the Department's E-Government initiatives and knowledge management systems, the HCMIP will continue to evolve. The HCMIP portal is currently limited to OPM's Human Capital Framework.

Enterprise-wide DOE Human Capital Management E-Gov Support Initiatives

CHRIS continues to grow and is proud to be the first corporate system in the Department to integrate into I-MANAGE. A Position Description (PD) library is available on the CHRIS website and a pilot in Quick Classification is under development.

The E-Learning environment is an innovative and cost effective method for acquiring knowledge. The OLC is evolving with time and experience....

Strategy 5, Performance Culture

Strategy 1, Strategic Alignment of Human Capital, addresses the DOE Performance Management System, a system for tying employee performance to missions from the top down and rewarding outstanding performance. The Department is taking several steps to perpetuate a performance culture characteristic of a highly effective organization both in terms of individual and organizational performance that spans its wide array of missions, programs, systems and services.

Ongoing Initiatives

The Department is making progress in establishing direct linkages between individual performance plans and the respective missions of their organizations. This Performance Management System contains collaboratively developed performance measures that convey expectations in terms of the quality, quantity and timeliness of work products—and includes provisions for recognizing and rewarding exceptional performance and for addressing poor performance. DOE is on target to have at least 60% of all employees' performance plans tied to mission accomplishment by June 2004. The DOE Strategic Plan, which provides the strategic mission and direction of the Department, is readily available in hard copy and on the DOE website for employees' use.

Strategic Plans, Program Plans, Five-Year Plans, Annual Performance Plans, performance reporting, and performance assessments continue to enable performance improvement at the Department in accordance with the Government Performance Results Act (GPRA) (see Figure 12, *Strategic Management*

Cascade, which unifies the efforts of GPRA and the PMA). The Department updates the Strategic Plan and Five-Year Plans every three to five years, as necessary. Annual Performance Plans are submitted annually in the planning and programming portions of the corporate Planning, Programming, Budget, and Evaluation (PPBE) process and are submitted to Congress in the annual budget. Performance metrics are established against the plans, results are measured and organizations are assessed against their plans. The GPRA cascade no longer applies just to Programs, but now spans funded supporting staff functions.

The Department utilizes OPM's Organizational Assessment Survey and its Federal Human Capital Survey, for measuring "employee satisfaction" in human resources. These surveys are used as tools for communication, dialogue, and continuous improvement.

Continuing Improvements

The Performance Management Systems and guidance are in place, but not all systems are in place. Performance Plans for the SES were developed first and became the model for the manager/supervisor performance plans. Excepted Service and General Schedule systems are becoming and will continue to be linked to mission and to each other within organizations. This linkage will ensure that employees are adequately recognized for performance and that budget decisions are made consistent with program performance. In addition, the Department will work to continue to cascade and integrate individual performance plans and Departmental mission objectives, the President's Management Agenda initiatives, the Strategic Plan and other similar "drivers." Such accountability crosses all organizations and occupational classes of employees thus reinforcing the important role that all DOE employees play in assuring that the Department effectively and efficiently carries out its critical missions by fostering a results-oriented culture.

Strategic Management Cascade

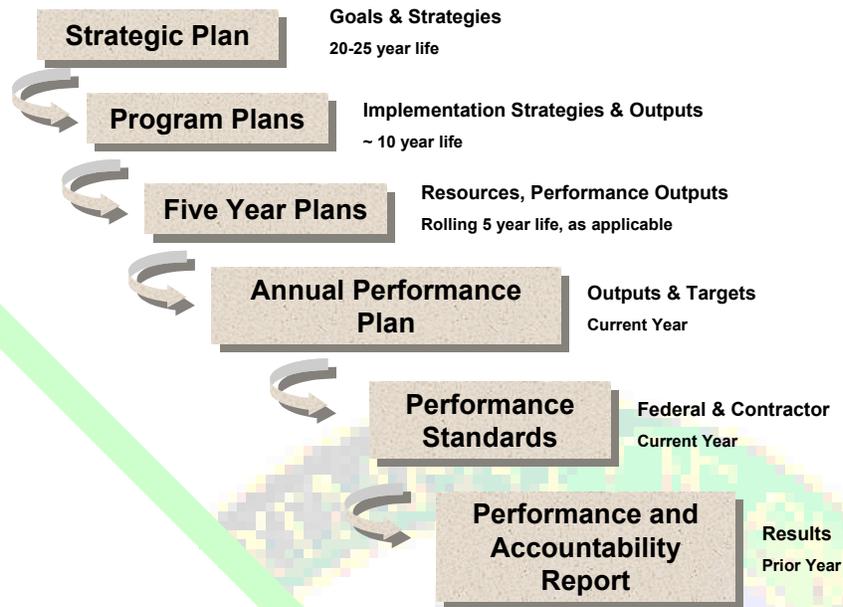


Figure 13: Strategic Management Cascade

Strategy 6, Talent

On several occasions, the Secretary of Energy has described on several occasions that his vision is to make the DOE the “employer of choice” and the envy of the Federal Government. He has stated that perhaps the most important part of achieving excellence is attracting, acquiring, and retaining the best people and the best managers. The Department must also be positioned to attract the right people for the right job at the right time with the right skills. The Department, like many Federal agencies, is facing dramatic workforce changes created by an aging workforce and one that is not as reflective of an increasingly diverse US population as it should be. Therefore, recruitment and retention will be enormous challenges as we look to the future.

Ongoing Initiatives

Corporate Recruitment Strategy

The DOE Corporate Recruitment Strategy, March 2004, boldly addresses replacement strategies for the dramatic workforce changes being created by the aging workforce. Traditional recruitment methods will need to be replaced by innovative strategies involving collaborative approaches and structured and systematic methods and measures that include diversity recruitment strategies.

Below is an overview of the Nation's workforce, followed by a look at the workforce of the future.

Overall Picture

- The current downturn in the economy is expected to be short-lived.
- Competition for jobs will increase among private sector, non-profits, academia, and other Federal agencies – particularly for highly skilled workers.
- The U.S. labor pool will shift as the baby boom generation ages. The long-term labor shortage continues to become a threat.
- By 2015 there will be a 15% decline in 35-44 year olds, while demand for the same increases by 25%.
- New workforce expectations, such as mobility, work/life balance, and professional development, will challenge agencies.

The Workforce of the Future

- The Nation's population and workforce will gradually become older and more ethnically diverse.
- By 2005, ethnic minorities are expected to comprise 28% of the workforce.
- More persons with disabilities will enter the workforce in the coming years – currently they experience 71% unemployment.
- By 2020, women will comprise 50% of the workforce.
- Fewer college students are pursuing degrees in technical areas.

The Corporate Recruitment Strategy contains several visionary and bold strategies for addressing the above employment challenges facing the Department, many of which are already underway. Specifically:

Focus attention, leadership, and resources to a corporate approach to outreach and recruitment

- Secure commitment from DOE Senior leadership on DOE's corporate recruitment strategy.
- Establish a corporate recruitment and outreach council of excellence to develop and implement innovative recruitment programs, processes, and measures that further the DOE mission.
- Expand and enhance recruitment and outreach communication capabilities.

Expand the entry-level pipeline

- It typically takes three to five years of full-time work experience and professional development for a student or recent graduate to progress to a full-performance level (GS-12/13). It is imperative that a critical investment be made now to guarantee a cadre of skilled, diverse

employees is ready to move into critical positions as they become available. Therefore, DOE has begun to fill more positions at the entry-level to ensure a vibrant and talented pool is available for permanent selection. To be successful, the Department will:

- Re-centralize the DOE Career Intern Program;
- Enhance the use of student and recent college graduate programs; and
- Increase the use of existing hiring flexibilities.

Expand and enhance recruitment efforts at mid and senior levels

- Develop model recruitment strategies for use across the organization to link organizational needs with recruitment efforts
- Develop templates and tools for use in designing attractive, concise, informative vacancy announcements that will attract the candidates DOE seeks.

Enhance the use of automation in corporate recruitment activities

- Re-establish and enhance the DOE corporate outreach and recruitment home page.
- Develop and implement a recruitment internet strategy.
- Enhance the student database and its use and revise the registration information and shelf life.
- Design and create a world class CD-ROM that markets DOE and its career opportunities.
- Educate staff to better utilize internet and other automated technologies.

Develop and enhance partnerships and collaborate with other Federal agencies, non-profits, and educational institutions

- Initiate a consortium of technical and scientific skills/occupations with other agencies seeking similar skills, such as NASA, DOT, and Labor.
- Enhance partnerships with external groups, such as Call to Serve, Partnership for Public Service, and OPM.

Expand DOE's marketing plan, coverage, and branding

- The Department has established a variety of corporate materials, but a serious effort at branding and corporate marketing of career opportunities is needed. Specifically:
 - Convene a corporate outreach and recruitment summit;
 - Actively seek out forums and opportunities to highlight DOE's successes and build on these successes; and
 - Establish an active DOE speaker's bureau.

Maximize return on investment of corporate outreach and recruitment activities

- In order to make a strong business case for an active corporate recruitment program and to ensure resources are invested wisely, performance measures must be developed and utilized. These performance indicators should:
 - Capture information on current DOE-funded intern/grant programs to explore linkages with Federal employment, and
 - Establish and track measures and results to determine success.

Recruiting, Hiring, and Retaining High-quality Technical Staff

The Department's directive, DOE Guide 426.1-1, *Recruiting, Hiring, and Retaining High-quality Technical Staff: A Manager's Guide to Administrative Flexibilities*, prescribes a number of tools, collectively referred to as administrative flexibilities, to provide more flexibility in Federal employment actions specific to DOE. These tools are available to enhance the Federal Government's ability to compete more effectively in the labor market within the framework and spirit of Federal personnel procedures and regulations and as such can be approved for use only with proper justification. Administrative flexibilities are intended to enhance and supplement normal Federal personnel procedures and regulations.

These strategies are found on the DOE Human Resources web site. Ensuring and enhancing the competence of DOE's Federal staff is fundamental to the accomplishment of the Department's priorities. Some of the tools made available to the Department are listed below.

Excepted Service appointment authorities

The DOE has three Excepted Service appointment authorities that are available as important tools for Headquarters and Field organizations to recruit and retain high-quality technical staff. Use of the Excepted Service authorities can expedite the hiring process and provide pay flexibilities to enhance recruitment and retention of key scientific and technical staff.

The Department has received authority to fill up to 200 scientific, engineering, and technical positions performing activities relating to the safety of the Department's defense nuclear facilities and an additional 300 for the NNSA. The Excepted Service appointment authorities are used for attracting and retaining high-quality individuals that may otherwise be difficult to attract and retain under current competitive service rules and procedures.

Although primarily intended for scientific, engineering, and technical positions, this authority may also be used for professional and administrative positions, as well as for positions in operations not related to defense nuclear facilities safety. Pay under both excepted service personnel authorities may be established up to an amount provided for by Executive Level III. Pay administration in the excepted

service is governed by broad salary bands in contrast to setting pay under the more traditional GS/SL/SES systems.

Recruitment Bonus

The need for a recruitment bonus is shown by the difficulties encountered in filling the position with a high-quality candidate, including information about the success or failure in recent efforts to recruit high-quality candidates for the position or a similar position (such as, offer acceptance rates, proportions of positions filled, length of time required to fill similar positions), and the effect of the bonus on the morale of current employees. Also, the practicality of using the superior qualifications appointment authority alone or in combination with a recruitment bonus should be considered.

Recruitment bonuses of up to 25 percent of basic pay may be paid to high-quality candidates who would otherwise be lost due to the normal entry salary being non-competitive with others in the labor market. The recruitment bonus may be used for appointments in the General Schedule, Senior Level or Scientific or Professional, Senior Executive Service, law enforcement, Executive Schedule, and presidential appointees.

Relocation Bonus

The need for a relocation bonus is shown by the difficulties encountered in filling the position with a high-quality candidate including information about the success or failure in recent efforts to recruit high-quality candidates for the position or a similar position (such as, offer acceptance rates, proportion of positions filled, length of time required to fill the positions), recent turnover data in similar positions, and labor market factors that affect recruiting for high-quality candidates in the position now or in the future.

Relocation bonuses of up to 25 percent of basic pay may be paid to attract high-quality candidates, or employees, to positions which are difficult to fill or to keep filled. The relocation bonus may be used for Federal employees who must relocate to different commuting areas and who are appointed to positions without time limitations or to a temporary appointment of at least 2 years. Positions covered include those in the General Schedule, Senior Level or Scientific or Professional, Senior Executive Service, law enforcement, Executive Schedule, and presidential appointees.

Retention Allowance

The need for retention allowances is shown by the determination that the employee is likely to leave Federal Service, how the employee's leaving would affect the Department's ability to conduct essential activities/functions, data on the success or failure in recent efforts to recruit and retain high-quality candidates for the position or similar position (e.g., offer acceptance rates, proportion of

positions filled, length of time required to fill the position), and availability in the labor market of suitable candidates.

Retention allowances of up to 25 percent of basic pay may be paid to high-quality employees who would otherwise leave Federal Government. Retention allowances may be used for current employees who are likely to leave Federal Service, and whose services the Department considers essential. Positions covered include those in the General Schedule, Senior Level or Scientific or Professional, Senior Executive Service, law enforcement, Executive Schedule, and presidential appointees. Also, the employee must have completed the period of service established under any agreement of relocation and recruitment bonuses.

Superior Qualifications Appointment

A superior qualifications appointment (also referred to as “advanced inhire”) includes new hires in General Schedule positions at GS-15 or below. New hires with prior Federal Service employment must have a break in service of at least 90 days unless the employment was with the District of Columbia Government beginning on or after 10/1/87, as an expert or consultant, a selected temporary appointment made in connection with completing an advanced academic degree, under certain student programs, or as a commissioned member of National Oceanic and Atmospheric Administration or Public Health Service. Pay at a higher step within the grade rate range may be offered to candidates with unusually high or unique qualifications the DOE needs.

Additional administrative flexibilities available to the Department include, and are not limited to, critical pay, dual compensation restriction waiver, special salary rates, and monetary and nonmonetary awards.

Continuing Improvements

Corporate Recruitment Strategy

The Corporate Recruitment Strategy was published just this month. Several of the strategies are already underway for recruiting a cadre of talented individuals to carry out the complex missions of the Department. For instance, the Department will be establishing a Corporate Recruitment Council that will be responsible for defining corporate recruitment for DOE and providing implementation guidance that expands the entry-, mid-, and senior-level pipeline, enhances the use of E-Government professional/ career development initiatives, includes diversity recruitment strategies, develops and enhances partnerships across the Government, expands the marketing plan, and maximizes the return on investment. The

Action Plan identifies specific milestones for these continuing improvements.

Recruiting, Hiring, and Retaining High-quality Technical Staff

According to data collected via the HCMIP, DOE Elements are not utilizing the administrative flexibilities for retaining employees to the maximum extent possible. Of course, it must be noted that many of the flexibilities have costs associated with them. The Department will continue to better inform the programs on available incentives with long-range cost savings. The Office of Human Resources is working with DOE Elements to improve the use of available incentives.

The Human Capital Coalition (HCC) is exploring corporate funding initiatives that will provide for the administration of professional/career development, recruitment, relocation, and retention strategies. There is not currently a solid financial corporate structure for utilizing the administrative flexibilities available to DOE.

COMMUNICATING THE PLAN

The human resources community is interested in hearing what customers say about the effectiveness of the services provided to the DOE community. Sound human capital planning and management decisions are based on good research and understanding the missions, objectives, and needs of customers. Before DOE human resources should communicate anything to the customer, they need to know what it is they need to offer, in order to retain credibility and buy-in.

The Department has participated in two types of surveys for customer feedback: the Federal Human Capital Survey and the Organizational Assessment Survey (OAS) offered by OPM. The OAS recommendations have been used to build upon existing human capital management best practices at the Department and for improving customer service and focus. The human capital transformation addresses some of the concerns of DOE employees.

The human resources community, to best serve DOE employees, uses several vehicles for communicating: Human Capital Coalition meetings, Headquarters resource managers and administrative officer's meetings, Departmental monthly training conference calls, monthly training coordinators' meetings; monthly human resources conference calls, and Executive Resources monthly conference calls. The Human Capital Management Strategic Plan will be communicated in these meetings and conference calls and will continue to be posted on the ME website for the entire DOE community to view.

SUMMARY

The Department has made tremendous progress in institutionalizing a full range of initiatives in human capital planning and management to maximize the capabilities and commitment of DOE employees. The Department has or is currently: aligning human capital management with DOE and DOE Element Strategic Plans; making workforce recruitment, retention, and deployment decisions based on mission needs and customer expectations to close skill gaps in the short-term and long-term; providing for a continuity of leadership that embodies the face of America; developing and fostering knowledge management programs for sharing and transferring institutional knowledge; building a direct line between employee performance expectations and mission accomplishment; and providing tools and flexibilities for accomplishing these strategies. These bold strategies, along with other PMA initiatives, will continue to produce measurable results as more and more of the initiatives are implemented, accepted, and utilized across the Department.

The HR community has a strong line of communication and partnering with stakeholders, has a seat at the senior management table, and fosters a winning environment that is producing the desired results. Long-term goals will serve to enhance systems and processes already embedded in the culture of the Department.

As the Department evolves, DOE Elements' Workforce Plans will continue to drive the level and kind of service provided by the human resources community under the "One HR" concept. This concept positions the HR community to continue to serve and grow as a strategic partner for human capital planning needs. The Human Capital Management Strategic Plan and Action Plan solidify existing policies, best practices, and procedures, set a path forward for continued success, and provide clear milestones, roles and responsibilities, and performance measures that will guide DOE to continued success in human capital management.

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DEFINITIONS

Attrition: The reduction of staffing levels from an organizational level due to resignations reassignments transfers to other agencies, deaths, etc., in a fiscal year. Retirements are normally included in attrition; however, it will be projected separately in the WFP process.

Competencies: Underlying characteristic of an employee (traits, skills, body of knowledge, etc.).

Competitive Sourcing: The process of comparing the cost of using Government employees and other resources to perform work in-house versus the cost of contracting with commercial firms, for achieving efficient and effective market-based competition, innovation, and choice, and in accordance with the Federal Activities Inventory Reform (FAIR) Act.

Department of Energy Strategic Plan: Serves as a corporate enterprise framework that charts the course for the next 25 years – focusing capabilities to meet today’s needs and provide innovative solutions to tomorrow’s challenges. The DOE Strategic Plan includes updated missions, long-term goals, strategies to achieve them, and key intermediate objectives along the way. The Plan provides the basis for regularly evaluating performance.

Diversity: The changing demographics of America mean that the public served by the Federal Government is also changing. When agencies recruit and retain an inclusive workforce — one that looks like the America it serves — and when individual differences are respected, appreciated, and valued, diversity becomes an organizational strength that contributes to achieving results. Diversity offers a variety of views, approaches, and actions for an agency to use in strategic planning, problem solving, and decision-making. It also enables an agency to better serve the taxpayer by reflecting the customers and communities it serves.

E-Government: A web-based method for the Federal Government to secure greater services at lower cost, and to meet high public demand for internet-based services. A method for making government a citizen-centered entity that will result in a major improvement in the Federal Government’s value to the citizens of America.

Government Performance Results Act (GPRA): A 1993 Federal law enacted to provide for the establishment of strategic planning and performance measurement in the Federal Government.

Human Capital Framework/Standards for Success: OPM framework for measuring and improving human capital management. Measurement is in the following areas:

strategic alignment of human capital; workforce planning and deployment; leadership and knowledge management; results-oriented performance culture; talent; and accountability.

Human Capital Management: A strategic approach to maximize the capabilities and commitment of Federal employees; aligning human resources to achieve the most effective and efficient accomplishment of the DOE mission.

Human Capital Management Improvement Program (HCMIP): A tool for measuring the success of Human Capital Management within the Department of Energy, HCMIP provides a method for collecting and analyzing data on human capital. It also provides a device for recording and reporting on short and long-range successes. Documentation derived through HCMIP will assist the Agency in getting to green.

Knowledge Management (KM): A systematic approach to identify, document, organize, distribute, reuse, and modernize an organization's mission critical knowledge.

M&O Contractor: Managing and Operating Contractors are those companies and/or institutions that perform the functions of managing field facilities in support of the Department's missions, and under the direction of the Department of Energy.

Mission Critical Occupations: Occupations consisting of skills necessary to carry out the missions of the Department of Energy.

PMA Initiative Owners: Each PMA initiative is led by a task force responsible for its respective initiative and integration with the other PMA Initiatives.

PMA Internal Scorecard: The Department's quarterly rollup of Departmental Elements' progress toward meeting PMA objectives, based on the President's initiative for "getting to green." Scores are based on a system of: red for not meeting objectives; yellow for improvements; and green for meeting the objectives.

Performance Culture: Agency efforts to achieve a diverse, results-oriented, high performing workforce, with a performance management system that effectively differentiates between high and low performance, and links individual/team/unit performance to organizational goals and desired results.

President's Management Agenda (PMA): An aggressive strategy for improving the management of the Federal government, imposed by the President in FY 2001. The PMA focuses on five areas of management weaknesses where improvements and the most progress can be made across the government. These improvement initiatives include: Strategic Management of Human Capital, Competitive Sourcing, Improved Financial Performance, Expanded Electronic Government, and Budget and Performance Integration.

"Proud To Be" Commitments: The Department's goals for meeting PMA objectives

and milestones for achieving goals.

Skill: An observable and measurable expertise needed to perform a task.

Skill Gap: The difference between projected positions and human resources supply. It can be a positive number indicating surplus workforce or a negative number, indicating unmet projected positions. Gap is also the difference between the desired and actual skills possessed by the workforce.

Scientific & Technical Occupations: Consist of the following occupational series' greater than a grade of 5: Safety and Occupational Health Specialist (00018); Environmental Protection Specialist (00028); Fire Protection and Prevention Series (00081); General Biological Science Series (00410); Industrial Hygiene Series (00690); General Engineer (00801); Safety Engineer (00803); Fire Protection Engineer (00804); Materials Engineer (00806); Architect (00808); Construction Control (00809); Civil Engineer (00810); Engineering Drafting (00818); Environmental Engineer (00819); Mechanical Engineer (00830); Nuclear Engineer (00840); Electrical Engineer (00850); Computer Engineer (00854); Electronics Engineer (00855); Petroleum Engineer (00851); Ceramic Engineer (00892); Chemical Engineer (00893); Industrial Engineer (00896); General Physical Scientist (01301); Health Physicist (01306); Physicist (01310); Geophysicist (01313); Hydrologist (01315); Chemist (01320); Metallurgist (01321); Meteorologist (01340); Geologist (01350); Cartographer (01370); and Land Surveyist (01373).

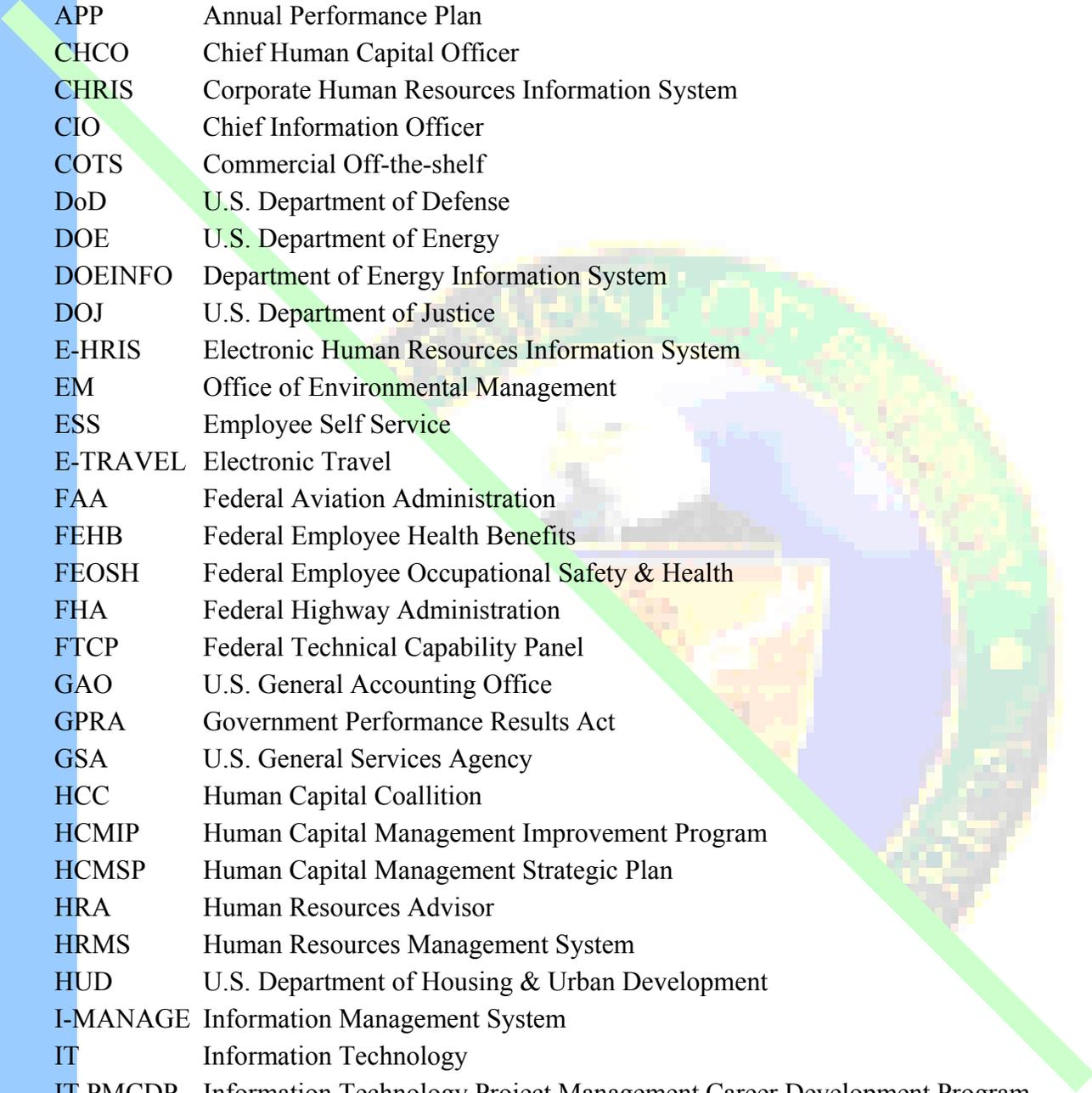
Succession Planning: A deliberate and systematic effort by an agency to ensure continuity of leadership and critical staff skills in mission-critical positions as well as to encourage individual development. Succession planning is a subset of workforce planning, and is designed to ensure the continued effective performance of an agency by identifying, developing, and replacing key people over time. Succession planning provides an opportunity to align diversity management programs with the larger agency objectives.

Tactical Plan: Provides a detailed view of the activities to be executed during the next year. A tactical plan provides a well-documented operational view of the tasks to be performed in support of the strategic plan.

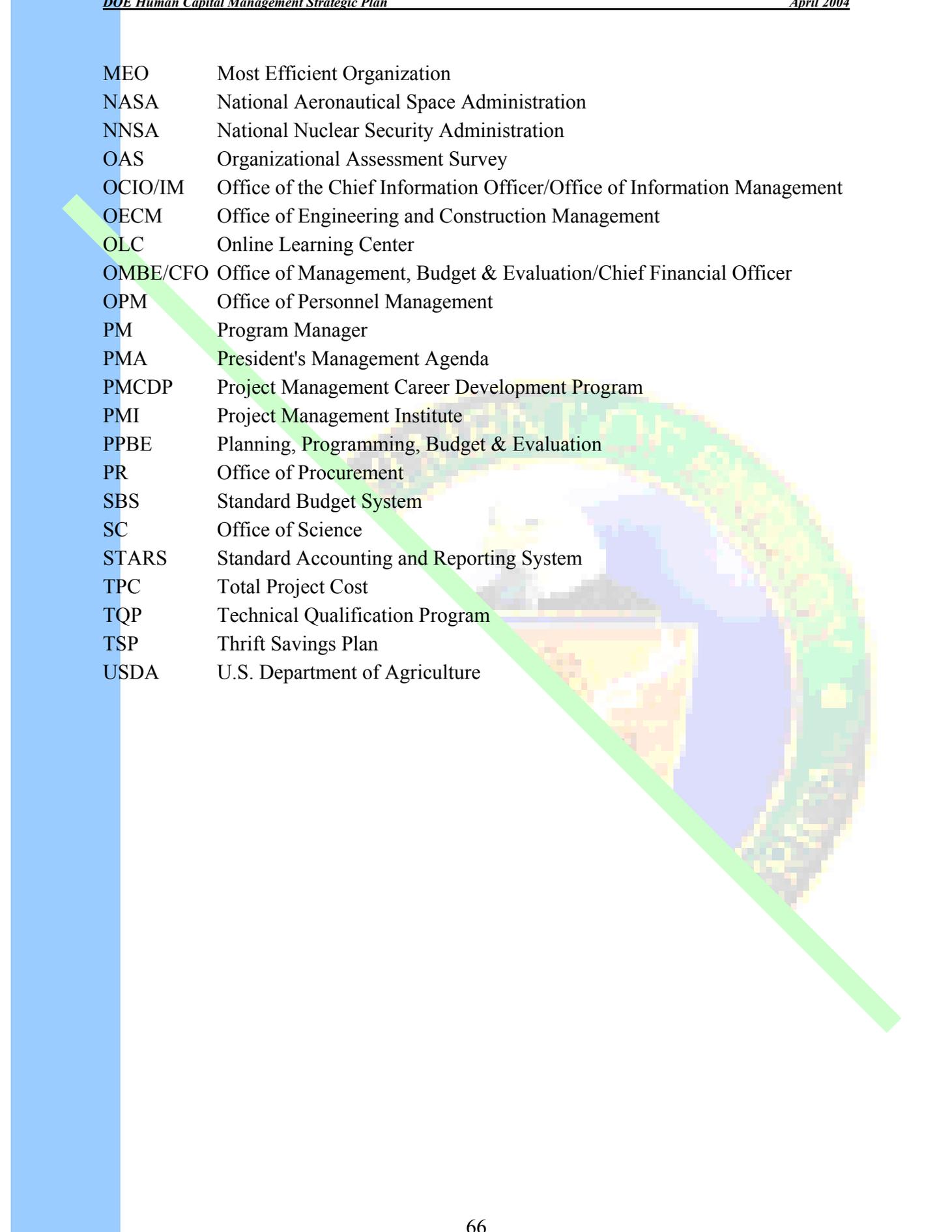
Talent: Agency efforts to identify mission-critical occupations and competencies needed in the current and future workforce and to develop strategies to identify, recruit, and retain a high performing workforce.

Workforce Planning: A process that ensures people with the appropriate skills are in the right place at the right time to meet the organizations' changing needs. It examines what an organization needs to accomplish in a given period of time; what knowledge, skills, and experience are required to get the job done; and how large and what type of workforce is required to provide that mix of skills, knowledge, and experience.

ACRONYMS



APP	Annual Performance Plan
CHCO	Chief Human Capital Officer
CHRIS	Corporate Human Resources Information System
CIO	Chief Information Officer
COTS	Commercial Off-the-shelf
DoD	U.S. Department of Defense
DOE	U.S. Department of Energy
DOEINFO	Department of Energy Information System
DOJ	U.S. Department of Justice
E-HRIS	Electronic Human Resources Information System
EM	Office of Environmental Management
ESS	Employee Self Service
E-TRAVEL	Electronic Travel
FAA	Federal Aviation Administration
FEHB	Federal Employee Health Benefits
FEOSH	Federal Employee Occupational Safety & Health
FHA	Federal Highway Administration
FTCP	Federal Technical Capability Panel
GAO	U.S. General Accounting Office
GPRA	Government Performance Results Act
GSA	U.S. General Services Agency
HCC	Human Capital Coalition
HCMIP	Human Capital Management Improvement Program
HCMS	Human Capital Management Strategic Plan
HRA	Human Resources Advisor
HRMS	Human Resources Management System
HUD	U.S. Department of Housing & Urban Development
I-MANAGE	Information Management System
IT	Information Technology
IT PMCDP	Information Technology Project Management Career Development Program
ITPM	Information Technology Project or Program Manager
KM	Knowledge Management
KMWG	Knowledge Management Working Group
M&O	Managing and Operating Contractor



MEO	Most Efficient Organization
NASA	National Aeronautical Space Administration
NNSA	National Nuclear Security Administration
OAS	Organizational Assessment Survey
OCIO/IM	Office of the Chief Information Officer/Office of Information Management
OECM	Office of Engineering and Construction Management
OLC	Online Learning Center
OMBE/CFO	Office of Management, Budget & Evaluation/Chief Financial Officer
OPM	Office of Personnel Management
PM	Program Manager
PMA	President's Management Agenda
PMCDP	Project Management Career Development Program
PMI	Project Management Institute
PPBE	Planning, Programming, Budget & Evaluation
PR	Office of Procurement
SBS	Standard Budget System
SC	Office of Science
STARS	Standard Accounting and Reporting System
TPC	Total Project Cost
TQP	Technical Qualification Program
TSP	Thrift Savings Plan
USDA	U.S. Department of Agriculture

ACTION PLAN

The HCMSP is a living document that will continue to evolve with the changing needs of the Department and will be updated quarterly. This Action Plan incorporates DOE's Proud To Be commitments as communicated to the Office of Personnel Management and the Office of Management and Budget. Future iterations of this Action Plan will incorporate actions beyond our "Getting To Green" commitments in human capital management and will be developed in conjunction with the Human Capital Coalition as a part of its efforts to coordinate and chart the future course for the Department in this area.



Action Plan: Proud To Be Commitments

Human capital strategies are linked to agency mission and goals

- Q3/2003:** Issue DOE Strategic Plan that includes a specific goal on human capital strategies; continue to discuss human capital issues at monthly DOE Management Council meetings
- Q4/2003:** Develop key human capital strategies for FY 2005 Annual Performance Plan; develop key human capital strategies for FY 2005 Budget
- Q1/2004:** Deputy Secretary continues quarterly meetings on achieving established performance measures including those under the PMA.
- Q2/2004:** Submit FY 2005 Budget and Annual Performance Plan including human capital strategies to Congress
- Q3/2004:** Analyze human capital strategies to ensure they continue to be meaningfully linked to the DOE mission and are resulting in overall improvements

Organization is restructured as appropriate to provide optimal service at lowest cost and respond to changing business needs; strategies include redeployment, delayering, competitive sourcing, and E-Gov.

- Q3/2003:** Major reorganization of the Savannah Operations Office resulting in streamlined operations, reduced number of SESs (8 to 6) and improved supervisor to employee ratio (1:8 to 1:11)
- Q4/2003:** Fossil Energy begins implementation of “top-to-bottom” organizational review recommendations to improve services and streamline operations; DOE begins transition to DFAS for payroll services
- Q1/2004:** Office of Nuclear Energy restructuring to accommodate transfer of Idaho Operations Office from the Office of Environmental Management; DOE continues to implement a paperless personnel and training system; DOE organizations will submit updated “Business Visions” and Restructuring Plans.
- Q2/2004:** Environmental Management establishing Consolidated Business Center for closure sites (to be expanded to other sites in future); issue final MEO Management Plan for HR Training
- Q3/2004:** Continued implementation of restructuring actions by major DOE organizations

Continuity of leadership and knowledge is assured through succession planning and professional development.

- Q3/2003:** A Knowledge Management Strategic Plan framework identified; rollout of new Corporate Supervisory and Managerial Training Curriculum for managers to develop skills and apply current human resources best practices; DOE-wide Succession Planning and Management Model rolled-out
- Q4/2003:** Rollout of Knowledge Management Plan; PM Career Development Program expanded to include a tailored track for IT professionals; provide an on-line Headquarters Orientation Program including a segment for supervisors
- Q1/2004:** Human Resources works with DOE organizations on implementing a Knowledge Management Program; HR Professional Development Program kick-off
- Q2/2004:** DOE On-Line Learning Center (OLC) continues to expand number of desktop courses available for employees
- Q3/2004:** Conduct an analysis of Knowledge Management Program and Succession Planning Program to determine if programs are successful and if any revisions are necessary

Performance appraisals for SES and managers link to agency mission and are cascaded appropriately throughout more than 60% of the agency.

- Q3/2003:** Initiate discussions on including new employee standard that links individual performance to accomplishing the DOE mission
- Q4/2003:** Issue Deputy Secretary Memorandum on requirement that non-supervisory employee's performance appraisals for FY 2004 include standard that links to DOE mission; complete FY 2003 cycle for SESs and non-SES managers and supervisors of new Performance Appraisal System that recognizes highest performers with larger bonuses
- Q1/2004:** Analyze FY 2003 ratings for SES and non-SES managers and supervisors to ensure highest performers are rewarded with largest bonuses
- Q2/2004:** Obtain program certification that at least 60% of all DOE employee's performance appraisal plans include a standard that links individual performance to accomplishment of the DOE mission in FY 2004
- Q3/2004:** Review all performance appraisal systems for improvements to be implemented in FY 2005 to ensure optimum linkage to accomplishing agency mission

Workforce is diverse, including mission critical occupations and leadership; agency consistently measures and works to sustain diversity.

- Q3/2003:** The DOE/EM Hispanic Scholarship Fund Institute Intern Program implemented; DOE Hispanic Employment Program Plan issued
- Q4/2003:** Guidance issued integrating diversity into program workforce plans; 15% of new hires for FY 2004 will be at the entry level for professional, scientific and administrative positions
- Q1/2004:** Develop recruitment strategies to ensure visits are made to a diverse college population
- Q2/2004:** A measurable reduction of under representation of women and minorities in SES positions (especially in mission critical occupations) over FY 2002 base.
- Q3/2004:** A measurable reduction of the under representation of Hispanic employment (especially in mission critical occupations) over FY 2002 base

Current and future skill gaps in mission critical occupations are identified and reduced.

- Q3/2003: Roll-out web-based Skills Assessment tool for Nuclear Facility sites as a Pilot**
- Q4/2003: Roll-out web-based Skills Assessment tool for remainder of DOE sites for scientific and technical positions**
- Q1/2004: Begin analysis of skills gaps**
- Q2/2004: All mission critical occupations complete Skills Assessment including supervisor's assessment of employee skills**
- Q3/2004: Skills gaps reduced for mission critical occupations of project and contract management and IT.**

Human capital program is guided by measurable outcomes (examples will be identified).

- Q3/2003: Mid-year Status Report from DOE organizations on Human Capital Management Improvement Program (HCMIP)**
- Q4/2003: FY 2005 DOE Budget planning and development process will include discussions on achieving human capital management, IT, and project management goals and initiatives**
- Q1/2004: Final FY 2003 HCMIP report issued with measurable outcomes and results; guidance on FY 2004 HCMIP process issued**
- Q2/2004: DOE organizations identifying mid-year results of HCMIP self-assessments**
- Q3/2004: Major improvements in human capital documented through HCMIP and other human capital efforts**